

# SOUTH FLORIDA WATER MANAGEMENT DISTRICT

## DRAFT PROCUREMENT MANUAL

### 6/29/01

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## INTRODUCTION

### 1-1 Purpose

This Procurement Manual ("Manual") provides guidance and procedures for obtaining and administering contracts and other agreements at the South Florida Water Management District ("District"). These guidelines and procedures are intended to promote fair, efficient and consistent contracting practices throughout the District. Adherence to the guidelines and procedures herein will ensure proper compliance with the legal requirements and procurement policy of the District.

This Manual shall be used as a reference guide for internal purposes only. It does not afford any additional rights or remedies which are not provided in the solicitation or contract document or provided by statute.

### 1-2 Applicability

This Manual and the guidelines detailed herein apply to all Procurement staff specifically authorized to procure goods and services and to administer contracts and other agreements that are issued by the District and to all other District personnel. All contracts/agreements shall be solicited and/or awarded consistent with the guidelines and procedures herein.

To the extent that any provisions of this Manual conflict or appear to conflict with the contractual terms and conditions of any District contract, the contract document shall control. Procurement staff shall utilize the contract document in administering to the requirements of the contract, with this Manual serving as a guide to the procedures supporting the contract terms and conditions.

### 1-3 Authority

Procurement authority at the District is derived from the following:

Chapter 373, Florida Statutes. Chapter 373, Florida Statutes is the enabling legislation creating the water management districts. Section 373.083, Florida Statutes, specifically

authorizes the Governing Board to contract with public agencies, private corporations or other persons. The power to procure and contract has been delegated in part by the Governing Board to the Executive Director and his or her designees.

The Executive Director also has been delegated certain procurement and contracting authority by the Governing Board under the provisions of the District's Procurement and Contracting Policy ("Policy"), as well as under several rules of the District.

The District has adopted the following statement of intent as the core of the principles delineated in its Procurement policy.

"Fair and open competition is a basic tenet of public procurement, that such competition reduces the appearance of and opportunity for favoritism and inspires public confidence that contracts are awarded equitably and economically; and that documentation of the acts taken and effective monitoring mechanisms are important means of curbing any improprieties and establishing public confidence in the process by which contractual services are procured."

These principles, as summarized below, govern all situations involving the procurement of commodities, goods, services and all other acquisitions for value at the District.

- The procurement practices of the District shall follow generally accepted public procurement practices.
- All procurement practices at the District are based on the premise that fair and open competition is essential to facilitate an ethical, efficient and cost effective process for acquiring quality goods and services.
- The District recognizes that performance factors may outweigh cost factors in certain procurements. Therefore, the District reserves the right to award a contract to the firm that is determined to be the most



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advantageous to the District, all factors considered and detailed in the solicitation document.

- Contract negotiations shall be conducted in a manner to ensure that the District receives fair value for its money and that contractors receive fair compensation for their goods and services.
- The District shall strive to actively solicit qualified contractors (including minority and small business contractors) to participate in the District's procurement process without unlawful discrimination.
- The District desires to enter into contracts/agreements, the language of which is clear, concise and comprehensive, with terms and conditions that are fair and equitable to the contracting parties.
- Appropriate records and standards shall be maintained so as to ensure public confidence in the District's procurement activities and to preclude improper practices.
- The standards of conduct for employees are set forth in the Employee Handbook of the District. Since the integrity of District practices is critical to ensure public confidence, District employees shall neither solicit nor accept privileges, gifts, benefits or exemptions for themselves or others from any person or entity who has or may have business dealings with the District, in accordance with the District's Ethics Policy No. 03.801. (Refer also to Chapter 112, Florida Statutes).

Authority of the Procurement Director. The Director of Procurement has been delegated authority for the conduct of procurement at the District, including signature authority for the execution of all agreements relating to the purchasing and contracting functions, as well as the use of all procurement instruments (including definitions), as set forth in Policy Nos. 07.102 and 07.103.

The Director of Procurement has authority to enter into, administer or terminate contracts and has overall responsibility for ensuring that all requirements of the law, regulations and all other applicable procedures, including approvals, have been met.

Equity in Contracting. The District has revamped its minority business plan to comply with the vision of the One Florida Initiative. The overall goal of the One Florida Initiative is to move from a goal-based program to a more race/ethnic/gender neutral program that results in increased total dollars spent with minority firms. The District's new program is called the Equity in Contracting (EIC) Plan. The Director of Procurement has primary responsibility for the success of the new plan.

The goals include:

- Providing fair and equal opportunities for all to compete for procurement dollars.
- Protecting the integrity of the procurement process.
- Incorporating strategies for success driven by the demographics of the South Florida area.

### 1-4 Procurement Mission

The overall mission of Procurement is to acquire goods and services in a responsive manner through contractual mechanisms that support District initiatives using procedures of integrity and fairness, which also encourage diversity and are consistent with applicable laws, policies and procedures.

The procurement team consists of all participants in the process, including not only representatives of the program and procurement areas but also the contractors who provide the products and services.

The role of each member of the procurement team is to exercise personal initiative and sound

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business judgment within their areas of expertise in order to provide the best value product or service that will meet the District's needs.

The ultimate objective of the District's procurement mission is to meet the objectives of the District in terms of cost, quality and timeliness of the delivered product or service by:

- Using contractors/vendors that have a track record of successful past performance or who demonstrate a current ability to perform.
- Promoting competition and diversity.
- Conducting business with integrity, fairness and openness and protecting against corruption, waste, fraud and abuse.
- Fulfilling public policies.

An organizational chart for the Procurement Office is included in Appendix B.

### 1-5 Procurement Policy Overview

All contracting by the District is subject to the provisions of the Procurement Policy, 07.100, unless otherwise specifically exempted.

Standards for competition are the same regardless of the procurement instrument – contract or purchase order. The standards for competition at the District include the following four (4) categories:

- General Procurements
- Consultants' Competitive Negotiation Act (CCNA)
- Special Procurements
- Revenue and Zero Dollar Transactions

Other types of transactions include:

- Governmental Reimbursement Grants
- District Grants

General Procurements represent the majority of the District's procurement requirements. The

thresholds set forth below do not apply to amendments, work orders, renewals or construction change orders unless the scope of the project, as revised, is outside of the original contract requirements.

#### Procurements up to \$10,000

- Require no competition.
- Verbal quotes are encouraged.
- Purchase order is awarded to lowest price responsive/responsible firm or individual.

#### Procurements over \$10,000 to \$50,000

- Require written or faxed quotations.
- Purchase order is awarded to lowest price responsive/responsible firm or individual.

#### Procurements over \$50,000

- Require Request for Bids (RFB) or
- Require Request for Proposals (RFP).
- Contract is awarded to the responsive/responsible bidder (RFB/lowest price) or respondent (RFP/most advantageous proposal).

The formal solicitation may take the form of a Request for Bids, Request for Proposals or Request for Information (RFI). Formal competition requires a public solicitation of sealed responses from potential contractors, advertised at least once in a newspaper or journal of general circulation in the county where the work is to be performed. The solicitation is also advertised on the District's website at [www.sfwmd.gov](http://www.sfwmd.gov).

Exceptions. A pre-qualified list of potential vendors for non-construction procurements of \$100,000 or less can be obtained through a Request for Information and awarded via a Request for Quotes (RFQ) in lieu of an RFB. If an RFP is the appropriate solicitation method, the RFI may be used to establish a pre-qualified list of potential contractors, with the RFP issued to only those firms deemed to be qualified during the RFI stage.

For construction procurements of \$200,000 or less three written quotes may be solicited in lieu of a Request for Bids. A minimum of three (3)

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sources will be solicited, with two sources from small businesses, minority or women owned businesses in the local area of the project when available.

#### *(a) Consultants' Competitive Negotiation Act (CCNA)*

Section 287.055, Florida Statutes and Chapter 40-E-7, Florida Administrative Code. The procurement of professional services covered by the Act include architectural, engineering, landscape architectural and registered land surveying and mapping.

The CCNA Statute prescribes competitive selection and negotiation procedures when the cost of construction is over \$250,000 and the total fee for planning or study activities exceeds \$25,000.

The statute also prescribes the use of "continuing" contracts for professional services to the District for projects in which construction costs do not exceed \$500,000, for study activity when the fee for such professional services does not exceed \$25,000 or for work of a specified nature as outlined in the contract.

Continuing contracts are restricted to a maximum of three (3) years, per District policy, after which the services must be recompeted in accordance with CCNA procedures.

*(b) Special Procurements.* District standards of competition do not apply to transactions executed under this category. Services included under special procurements normally involve professions or businesses that do not customarily engage in competition and entities that are prohibited by law from competing. Additional details are provided in Chapter 10 of this Manual. Examples include:

- State of Florida contracts, General Services Administration schedules or other federal governmental procurement contracts.
- Legal services.
- Health services.
- Not-for-Profit entities.

- Governmental cooperative agreements.
- Licensing, maintenance, service agreements
- Artistic services or lecturers.
- Training services or organizational development services.
- Office space leases (under 3,000 sq.ft.).
- Real estate title and appraisal services.

*(c) Revenue Transactions and Zero Dollar Transactions.* These transactions do not involve the expenditure of District funds, but do have a potential fiscal impact on the District. In a revenue transaction, the District receives income from the sale of contractor-provided services or from grants from other governmental agencies (not tied to reimbursement of District costs). Land leases are the primary example of a revenue transaction at the District. Other examples include direct grants to the District from interagency (federal, state) and local governmental entities.

Land leases are solicited via a Request for Bids (RFB). The highest bidder (offering the most funds to the District for the lease of the property) is selected and awarded a contract. Revenue transactions do not include sales of spoil.

*(d) Governmental Reimbursement Grants.* These grants are obtained through a District application to an advertised federal or state grant program. The District utilizes the grant funds to offset District expenditures for legislated program activities.

Funds are provided to the District for reimbursement of all or a portion of District costs (staff and contractors) for approved projects. Examples include the Army Corps of Engineers, the Environmental Protection Agency (EPA) and the Florida Department of Environmental Protection (FDEP) grant programs.

*(e) District Grants.* These grants are awarded by the District, on a competitive basis, to entities eligible for receipt of funds. Examples include the Alternative Water Supply, Florida Indian River Lagoon (IRL) License Plates, Water Resource Education Grants (WRED) and the

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State Water Advisory Panel (SWAP)  
Phosphorus Source Control grant program.

Length of Contract Term. All forms of contracting, other than revenue contracts (including purchase orders), that are subject to formal or informal competition, shall be re-competed, at a minimum, every three (3) years, unless the Governing Board authorizes otherwise. Revenue contracts may be solicited for up to seven (7) years.

A detailed discussion of the District's Standards for Competition is set forth in Procurement Policy No. 07.100.

Governing Board Approval. The Governing Board shall approve the following transactions, as follows:

- Time extensions exceeding 90 days.
- Contracts (subject to formal/informal competition) whose total terms exceeds 3 years (except for on-going or zero dollar transactions).
- Revenue contracts over 7 years.
- Sole Source procurements.
- Waivers in excess of \$25,000 (regular and Everglades Construction Project ["ECP"] procurements) and in excess of \$300,000 for specified ECP transactions.
- Initial contractual and CCNA services or renewals in excess of \$50,000.
- Initial ECP contractual and CCNA services or renewals in excess of \$150,000.
- Construction contracts (non-ECP) in excess of \$100,000.
- ECP construction contracts in excess of \$300,000.
- Increases to initial contract amounts per Policy No. 07.10012.

- Any revenue transaction, or increase or reduction, in excess of \$100,000.
- Commodities in excess of the approved annual District budget by appropriation unit.
- Equipment in excess of the approved annual District budget by appropriation unit, excluding unbudgeted capital items that are funded from capital outlay savings achieved within the approved District annual budget for equipment.

### 1-6 Audit

All District contracts, purchase orders and supporting documentation are subject to periodic audits by the Inspector General's Office. Audit reports will include findings on the following:

- Adequacy of Procurement's file documentation and negotiation of direct and indirect costs.
- Documents supporting the contractor's accounting system and the basis for estimating costs.
- The accuracy, completeness and current status of supporting cost or pricing data.
- Procurement's management and segregation of financial statements within the contract files.

### 1-7 Public Records

Procurement shall maintain the official contract files for the District. Information contained in the contract files and other contractual materials, including bids, proposals or other records are subject to public inspection in accordance with the requirements of the Public Records Law, Chapter 119, Florida Statutes.

### 1-8 Procurement Process Overview

An overview of the District's formal procurement process is set forth in nine (9)

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stages, is detailed in Chapters 3 to 6 of this Manual and as part of the Procurement Redesign Flowchart in Appendix C.

General responsibilities of the District's technical and procurement staff in the initiation and completion of this process are as follows:

### ❖ Project Manager

- Initiates the process of needs assessment (identifies which project requirements can best be met by obtaining products or services outside the District).
- Begins the procurement planning phase by considering what to procure, how much to procure and when to procure.
- Determines the amount of funds required for the project scope.
- In consultation with Procurement, reviews District procurement policies and the appropriate standards for competition governing the dollar levels associated with types of procurement actions and District system requirements (purchase orders, contracts or cooperative agreements).
- If project needs (commodities or services) can be met through simplified acquisition procedures (purchase orders), forwards a requisition to Purchasing for review and preparation of appropriate solicitation.
- For procurement actions requiring execution of a formal contract, reviews the planning process outlined in Chapter 3, *Formal Procurement Planning*.
- Develops a draft Statement of Work and completes the Contract Justification Summary Sheet ("CJSS") for internal review within the Integrated Contract Management System ("ICMS") for review.
- As a member of the Procurement Strategy team (refer to Chapter 3, *Formal Procurement Planning*):
  - Recommends the source selection method and the type of solicitation to be used - Request for Bids (RFB) or Request for Proposals (RFP).
  - Recommends the most appropriate outreach plan for maximum response from minorities and small businesses.
  - For RFP solicitations, determines the role of the Project Manager on the selection panel.
- Follows the actions outlined in Chapter 4, *Formal Solicitations* and in Chapter 5, *Evaluation and Award*.
  - For RFP solicitations, participates in the kick-off meeting to discuss District technical objectives.
  - Serves as a member of the negotiation team.
  - Actively participates in the District's defense of bid protest proceedings.
  - Participates in debriefings in coordination with Procurement.
- Prepares documentation for Governing Board approval (if applicable).
- Monitors contract performance and deliverables. Reviews and approves invoice requests.
- Participates in the closeout process by completing a written evaluation of the contractor's overall performance, with discussion of specific problems, impacts and resolution.

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### ❖ Procurement

- Reviews Statement of Work for project requirements/contractual conditions.
- Reviews the recommendations of the Procurement Strategy team for the following:
  - Source selection method and the type of solicitation to be used - Request for Bids (RFB) or Request for Proposals (RFP).
  - Most appropriate outreach plan for maximum response from minorities and small businesses.
  - For an RFP solicitation - role of the Project Manager on the selection panel.
- Follows the actions outlined in Chapter 4, *Formal Solicitations*.
- Coordinates insurance requirements with Risk Management.
- Issues a synopsis of the pending solicitation on the XWeb.
- For an RFP solicitation, reviews Procurement's database of qualified District staff from which to select the evaluation committee members.
- In consultation with the Project Manager, determines the need for a pre-bid or pre-proposal conference, the appropriate evaluation criteria (RFP) and the dates for upcoming selection committee meetings (RFP).
- Obtains the minority participation requirements, supporting documentation and the list of minority and women-owned business enterprises from the Office of Equity in Contracting.
- Completes the appropriate solicitation package, advertises and releases the solicitation.
- RFB: Upon receipt of bids, prepares a bid tabulation ranking bids from lowest to highest price and forward bids to parties responsible for review.
  - Posts 'Notice of Intent to Award' for 72 hour period.
- RFP: Upon receipt of proposals:
  - Participates as Chairperson in kick-off meeting at which proposals are distributed to parties responsible for review.
  - Provides instructions and guidelines to committee members regarding the evaluation process.
  - Coordinates with Office of Counsel regarding discussions concerning 'sunshine' requirements and ethics.
  - Conducts selection committee meeting at which discussions are held regarding the merits of each proposal.
  - Conducts oral presentations (if applicable).
- Posts 'Authorization to Enter Into Contract Negotiations' for 72 hours.
- Actively participates in the District's defense in a bid protest process. Coordinates and chairs all bid protest meetings leading up to the filing of a formal petition.
- Conducts debriefings in conjunction with the Project Manager.
- Begins pre-negotiation strategy with negotiation team members.
- Conducts negotiations and reaches agreement regarding Statement of Work and other contract terms and conditions.

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- Prepares contract document, obtains internal approvals and signature by the selected contractor.
- Reviews documentation for Governing Board approval (if applicable).
- Monitors contract performance in conjunction with the Project Manager.
- Reviews/approves invoice requests.
- Issues amendments, change orders or work orders as appropriate.
- Completes closeout process.

### **1-9 Responsibility for the Manual**

Procurement is responsible for updating the Manual and publishing revisions. Revisions to the Manual will be made as required and will be subject to review and approval by the Office of Counsel and the Deputy Executive Director for Corporate Resources.

District personnel are encouraged to submit suggestions for additions or revisions in writing to the Procurement Director. A copy of the Manual is available on the IWeb. District staff will be notified by E-mail whenever revisions are made to the Manual. The date of the revision will be located on each page affected.

## **DRAFT CHAPTER 2**

### **SIMPLIFIED PROCUREMENT METHODS**

#### **2-1 Principles**

Simplified procurement procedures are utilized as a means of expediting the purchase of goods and services when the aggregate amount in any one transaction does not exceed \$50,000.

The primary objectives are to reduce administrative costs and to improve opportunities for small business, minority business and women-owned small business concerns to obtain a fair proportion of District awards.

In arriving at the aggregate \$50,000, District staff must include all goods and/or services that would properly be grouped together in a single purchase, including all estimated handling and freight charges to be paid to the vendor.

“Splitting a requirement” is defined as a break-up of a single order (i.e., not including the total number of items required or artificially separating the item and its component parts to keep under the \$50,000 threshold) into one or more purchase orders in order to take advantage of simplified procurement procedures. Use of this tactic is contrary to District policy and is monitored by the Procurement Department.

Purchase orders are normally utilized for obtaining commodities and equipment, whether through simplified procurement procedures as set forth in this Chapter 2 (up to \$50,000) or when more formal contracting methods are required (Request for Bids).

Procurement of services via a purchase order is generally limited to the \$50,000 threshold for simplified expenditure transactions that offer minimal risk to the District for performance of the terms and conditions. These may include operations and maintenance services, equipment maintenance services and other non-complex research or analysis studies of short duration.

Construction procurements of \$200,000 or less may use simplified procurement methods (three written quotes, with two sources from small businesses, minority or women owned small

businesses in the local area of the project when available), in lieu of a Request for Bids, but selection is formalized through a contract award rather than a purchase order.

#### **2-2 Competition Thresholds**

##### Purchases up to \$10,000

District staff may purchase, *without competition*, commercial items or services that do not exceed the price of \$10,000. The products or services must be offered and sold competitively in substantial quantities in the commercial marketplace based on established catalog (published price list) or market prices (prices that can be substantiated independently of the vendor) for delivery of items or for specific tasks to be performed.

##### Informal Bid

An informal bid is defined as either a written or oral quotation not requiring a public opening of such bid at a specific time or date. Written evidence of oral quotations shall be maintained.

##### Purchases over \$10,000 to \$50,000

##### Informal Solicitations – Request for Quotations

A Request for Quotes (RFQ) is a written solicitation for obtaining written quotations (including faxed) from a minimum of three firms for supplies or services. An RFQ is not formally advertised.

An RFQ involves simplified procedures for acquiring supplies or services within a designated threshold (over \$10,000 to \$50,000) when precise specifications are available and the terms and conditions of the award can be satisfied by execution of a purchase order.

An RFQ is not an order or commitment to procure but merely an information request regarding product or service availability. A binding agreement comes into effect only when a vendor accepts a purchase order for delivery and/or performance. A purchase order is always



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### SIMPLIFIED PROCUREMENT METHODS

firm fixed price, with payment upon receipt and acceptance of the required deliverable(s).

If, after issuance of the RFQ, changes must be made in quantity, specifications, delivery schedule or closing date, or if corrections are needed because of ambiguities, the Purchasing Agent will issue an amendment, in writing, to all vendors initially solicited. Consideration must be given to the time set for receipt of quotations and the necessity or desirability of extending the closing date.

All waivers of competition (over \$25,000) and/or sole source procurement requests (commodities or services) require Governing Board approval and will be processed in accordance with Chapter 10, *Exceptions to Competitive Procurement Standards*. Waivers of Competition under \$25,000 require the approval of the Executive Office, but must be reported to the Governing Board.

#### 2-3 Specifications

All specifications or purchase descriptions, whether prepared for oral or written quotations must be clear and unambiguous, with a precise description of the technical requirements for products or services as well as packaging/marketing and delivery requirements.

Purchase descriptions may include a commercial or industry specification or a statement of work, but should not be written so as to *require* a particular brand name, product or feature of a product that is peculiar to a single manufacturer, unless considered essential based on District requirements and so documented.

A good specification sets forth actual *minimum* needs, thus preventing unnecessary restriction of the competitive base and a possible increase to the acquisition cost. The specification becomes the basis of the procurement request and must communicate to potential vendors exactly what is required by the District.

An RFQ for **services** should minimally include a quote opening date, the location of services and

a brief Statement of Work describing the requirements of the RFQ, utilizing the format outlined in Chapter 3-6 of this Manual.

An RFQ for **commodities** should minimally include a quote opening date, delivery location, F.O.B. point and a precise specification. The specification should include:

#### Description of the Commodity.

Use clear, simple specifications with relevant product features and options required and attach, as appropriate, information regarding drawings, plans or materials. If a specification requires testings, provide information as to who will perform the tests, when and where.

#### Level of Quality.

If appropriate, require submission of description literature or samples to ensure that products offered will meet the District's needs.

Use a precise description of the function and performance requirements. Brand names and models may be used to indicate *level of quality* that is acceptable to meet District requirements.

The acceptance of 'or equivalent' items must be comparable as to function, basic design, type and quality of material, method of construction and any required dimensions.

Always avoid terms such as 'no substitute' or 'brand name only' as well as 'prefer' or 'should' in the specification.

#### Quantity.

Use industry standards when stating quantities and packaging of a commodity to ensure that the District makes the most economical buy. Examples include:

- Packaging of individual items in a standard quantity of 3 each per pack to allow for a quantity discount.
- Delivery of soil, rock or rip-rap in tons or yards.
- Ordering of metal shapes (steel) in feet or pounds (know standard lengths).

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- Ordering of software in full-version packages (includes manual, license & media); license only packages; or multi-node packages (usually includes quantity discounting).

#### Delivery or Performance Schedules.

The time of delivery or performance is an essential element of the solicitation. Schedules that are unnecessarily short tend to restrict competition, impede responses from small businesses, minority or women-owned businesses and may result in higher contract prices.

Consideration must be given to the following factors:

- Urgency of need (not to be construed as lack of adequate District planning).
- Industry practices.
- Market conditions.
- Transportation time.
- Production time.
- Capabilities of small/minority/women owned business concerns.
- Administrative time for obtaining and evaluating responses and issuing a purchase order.
- Time for vendors to comply with performance/delivery conditions.

#### **2-4 Placement of Purchase Orders**

District staff may request the issuance of a purchase order by entering a requisition approved by the initiating unit into the Local Governmental Financial System (LGFS). Purchasing is responsible for preparing purchase orders after review of the requisition and proposed funding levels, release of the RFQ, if applicable and completion of the selection process.

Procurement and District staff, as applicable, shall select vendors from the District's Vendor Database. Consideration must be given to obtaining firms within the locations most appropriate for work requirements and to utilizing qualified minority and women-owned

firms. Procurement and Accounts Payable, only, are authorized to add new vendors to the database.

#### **2-5 Change Orders/Cancellations**

If, after issuance of the purchase order, but prior to acceptance by the vendor (delivery of product or service), it is determined that the items or services initially requested will not be satisfactory, the order may be amended or canceled.

#### **2-6 Payment Process**

All payments shall be processed after receipt and acceptance of all deliverables by the initiating unit and submission of an approved invoice to Accounts Payable.

Purchase orders shall not be executed with pre-payments nor shall invoicing exceed the purchase order amount without an authorized amendment to the purchase order.

#### **2-7 Price Agreements**

A District Price Agreement (blanket order) is a simplified method of filling anticipated repetitive needs for supplies or services. It is not a contract – rather, an agreement that is convenient to both parties.

Price Agreements are established to maximize ordering efficiency and obtain quantity discounts. The purpose is to avoid several purchase orders for similar items of small dollar value. Examples include gasoline and diesel fuel, helicopter charter services, first aid supplies and safety supplies.

Price Agreements are competed up-front, i.e., a solicitation is sent to several vendors to obtain fixed unit pricing for a defined period of time to cover the purchase of small dollar items from suppliers when the exact items, quantities and delivery requirements are not known in advance and may vary considerably during the period of the price agreement.

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**Policies.** Purchasing shall solicit the required goods or services and shall prepare all Price Agreements after completion of the evaluation process. Price Agreements will be amended only when the total estimate is not adequate and/or the specifications have changed. Purchasing will determine whether to re-compete or amend the Price Agreement. Guidelines are established as follows:

- Purchases that would be unallowable based on law or regulation are not authorized.
- All competition requirements as set forth in this Chapter apply to the establishment of the Price Agreement as well as the requirement for a sole-source justification, if necessary, as described in Chapter 10 of this Manual.
- Price Agreements will be established competitively in the amount over \$10,000.

#### **2-8 Procurement Cards**

The District has established a Procurement Card program for individuals to improve efficiency in processing low dollar approved goods and services from any vendor that will accept the VISA credit card. Each procurement card is issued in the name of the employee and the District, thereby identifying the individual as a governmental buyer.

The District encourages the use of the Procurement Card as the preferred method for small purchases. Benefits include:

- More timely acquisition of goods.
- Reduced number of invoices.
- Faster payments to vendors.
- Reduced need for petty cash transactions and purchase orders.

All authorized cardholders can place an order directly with a vendor up to the established procurement card authorization limits. Single purchase limits are set by the Procurement

Director, with current levels not-to-exceed \$999.99. Each Department, Office, Service Center and/or Division Directors can establish lower limits for their authorized cardholders.

The Department, Office, Service Center and/or Division Directors may establish a 30-day billing cycle limit of \$15,000, considering the unit's operating budget and number of cardholders. The same levels, approvals and procedures are established for use of the Procurement Card in emergency situations.

The Procurement Card may not be used to purchase the following:

- Cash advances.
- Gasoline, fuel or automobile oil.
- Travel expenses for food and ticketing (hotel expenses are permissible).
- Telephone charges.
- Inventory items.
- Goods or services specifically restricted by the Division, Department or Procurement Director.

In addition, while the Procurement Card may be used for the purchase of multiple items, purchases may not be 'split' to stay within the single purchase limit of the cardholder. No back-orders are permitted nor charges for sales or use taxes.

The procedures for requesting and using the procurement card as well as the responsibilities governing the cardholders, Department, Office, Service Center, Division Directors, Procurement and Accounts Payable are detailed in the District's Procurement Card Policy, No. 0710520.

#### **2-9 Agreements with Government Agencies**

The Purchasing Agent is authorized to purchase directly, without quotations or bids, from contracts awarded by the Government Services Administration (GSA) or from vendors awarded GSA contracts, whose offer exactly equals the prices offered by GSA.

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The Purchasing Agent may also purchase directly from federal or state contracts or other governmental contracts (e.g., the State Negotiated Agreement Price Schedule (SNAPS) when the contracts expressly permit such purchases or if the awarding agency agrees to allow the District to purchase in this manner. No additional competition must be identified nor a sole source justification prepared.

Purchasing Agents should perform periodic market surveys, on an as needed basis, to determine the best purchasing practices that will yield the lowest prices.

#### 2-10 Decentralized Purchasing

**General.** District Standard 07.101 provides for the issuance of Decentralized Purchase Orders (PD) by certain District staff. PD's should be used when the authority to issue them has been delegated *and* the:

- Procurement involves an expenditure of \$1,500 or less.
- Item(s) to be procured are readily available and easily procured.
- Desired vendor is already established as an authorized vendor with the District (new vendors may only be added to the vendor database by contacting Procurement or Accounts Payable).

**Note:** As discussed previously in this Chapter, purchases from one source shall not be intentionally divided among two or more PDs as a means of avoiding the \$1,500 limit. "Splitting" of PDs is considered a violation of District policy. In addition, PDs should not be used to cover additional charges on a purchase order. PDs are monitored by the Procurement Department.

Verbal orders may be placed by District employees with delegated authority in accordance with District policy. All verbal orders must be confirmed in writing through the issuance of a PD. Proper LGFS input and approvals must be completed prior to using the PD number to acquire goods or services. This

will ensure prompt payment of invoices. Late payment of invoices can result in the refusal by vendors to conduct further business with the District.

All PDs are subject to certain restrictions as noted below. The following items should not be purchased with decentralized purchase orders:

- Capital outlay items (equipment costing \$500.00 or more, with a useful life greater than one year).
- Additions to a centralized purchase order (PC).
- Fragmenting purchases into components below \$1,500 to utilize the PD process.
- Inventory items.
- Items that are on a Price Agreement.
- Vendor's non-stock or special order items.
- Uniform items (jeans, shirts, T-shirts, caps, shorts, shoes, etc.).
- Items requiring Resource Manager approval (without obtaining prior approval in LGFS), e.g., safety items, computer hardware and software, first aid supplies, etc.

**Ethical Responsibility.** As discussed in Chapter 1-3 of the Manual, every District employee who becomes involved in any fashion with the Procurement process is charged to act in an ethical manner. The open, competitive process employed by the District is based on the understanding that all vendors are given an equal opportunity to compete for District business.

**Training.** Procurement will continue the training for all District staff on the LGFS PD process. This training is mandatory for new personnel in all departments who will be issuing PDs. Utilize class number EMD 0081 for enrollment purposes.

**Monitoring.** Procurement monitors all PD purchases to ensure that PDs are properly used. Quarterly reports on PD performance by departments will be provided to the Deputy Executive Director of Corporate Resources with

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copies to all departments authorized to use PDs. The report will include an evaluation that addresses any instances of questionable practices as reflected in the data. PD authority may be rescinded if the departments authorized to issue PDs fail to comply with the provisions and intent of the authority.

#### **2-11 File Documentation**

*Oral quotations* shall be supported by a purchase requisition and summary sheet that contains a brief description of the specifications required.

For each firm solicited, the file shall be documented as follows:

- Name, vendor number and phone number of firm.
- Pertinent details on offered items (e.g., make, model, variance).
- Unit price and total price.
- Delivery time/schedule.
- F.O.B. point.
- Business classification (small, large, minority, women-owned).
- Date of quote.
- Name of individual contacted.

*Written or faxed quotations* shall be supported by the following file documentation for each requisition:

- Purchase requisition.
- Solicitation documents.
- All competitive quotes and any relevant correspondence.

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#### **3-1 Principles**

Procurement planning is the process by which the District, after determining the necessity and need to outsource the requirement, defines the existing market for the goods, services or construction elements, estimates the anticipated cost and determines the most appropriate method of procurement.

Formal Procurement planning is a team effort at the District, including staff professionals from Project Management, Procurement, Office of Counsel, Budget, Equity in Contracting and Risk Management ("Procurement Strategy Team"). Procurement planning, in general, is intended to maximize competition by providing contract opportunities for as many firms as possible, including minority participants, while satisfying the needs of the District in the most effective, economical and timely manner.

Procurement planning will determine the nature, type, scope and number of contracts required for a project by considering the following:

- Nature, complexity and dollar value of the anticipated work.
- Scheduling and urgency.
- Most appropriate source selection method.
- Budget and funding levels by fiscal year.
- Industry capabilities.
- Minority opportunities.

Procurement planning must be performed for all District projects requiring services over \$50,000 (non-commodity requirements). Divisions will be responsible for developing timelines for project activities during the budget cycle to ensure that contract items are appropriately prioritized throughout the fiscal year.

A strategy meeting, comprised of the Procurement Strategy team members noted above, will be held for each project to develop the best procurement approach, including the source selection process and outreach

techniques that will be most appropriate for the particular project.

The Project Manager will schedule the Procurement Strategy Team meeting. The team will use the meeting to discuss the results of the market research, potential evaluation factors, information that may be needed from potential respondents to support those factors and other appropriate planning issues, including timetables for the procurement.

The team will design a strategy that best reflects the specific requirement, the results of market research and the risks associated with the procurement. The information obtained in the strategy meeting will be used as the basis for developing the source selection/evaluation plan (refer to Chapter 4-7, *Evaluation Standards – Best Value Procurements* for guidance).

The product of the planning process is a *Procurement Strategy* document that will be prepared for all service related projects requiring a formal competitive process (over \$50,000) and execution of a formal contract award.

#### **3-2 Governing Board Review**

For those projects that require a formal solicitation process for the acquisition of services (i.e., Request for Bids and Request for Proposals and any combination of such methods), the formal procurement strategy will require review by the Governing Board prior to source selection and contract award. In addition, certain non-competitive transactions, i.e., Waivers of Competition, Sole-Source Procurements and Justifications for Cooperative Agreements with Universities, also will require Governing Board review prior to award.

These procedures are designed to enable Governing Board members to review and provide comments on competitive strategies for upcoming procurements before initiation of the solicitation/award process and to review non-competitive justifications.

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#### **3-3 Planning Process Responsibility Overview**

A Procurement Planning flowchart is included in Appendix D to this Manual and is described below. General responsibilities of District staff in the process are as follows:

##### **❖ Planning Stage**

##### ***Step 1: Procurement/Budget Planning***

Process. The initiation of Procurement planning will occur at the same time as the upcoming fiscal year budget cycle and capital improvements planning phase.

Staff Responsibility. At the completion of the 1<sup>st</sup> round of budget approvals (April/May), Division and Department levels will begin fiscal year project prioritization.

##### ***Step 2: FY Quarterly Prioritization List***

Process. Governing Board Proposed Budget Approval (July).

Staff Responsibility. At the completion of the Governing Board proposed budget approval (July), Division and Department levels will complete quarterly scheduling of projects and will begin drafting Statements of Work, with emphasis on 1<sup>st</sup> quarter projects.

##### **❖ Project Development Stage**

##### ***Step 1: Procurement Strategy Development***

Process. Quarterly scheduling of projects and development of procurement strategies and non-competitive justifications.

Staff Responsibility. Project Managers will finalize draft Statements of Work and will enter into ICMS, prioritized by quarter.\*

Project Managers will schedule procurement strategy meetings with the full District (Procurement Strategy) team, comprised of :

- Project Manager (team leader)
- Procurement Specialist
- Equity in Contracting/Service Centers (outreach)
- Office of Counsel
- Optional representatives (Budget, Risk Management, Field Offices)

\*For solicitation release in Q \_\_, begin work no later than previous quarter (i.e., Q2 – begin Q1; Q3 – begin Q2; Q4 – begin Q3; Q1 – begin previous FYQ4).

##### ***Step 2: Procurement Strategy Review***

Process. Review and approval of procurement strategies and non-competitive justifications.

Staff Responsibility. The Project Manager will develop the procurement strategy and/or non-competitive justification in consultation with the Procurement Strategy team members. Department, Division and Deputy Executive Director levels will review and approve strategies and/or non-competitive justifications via a cover memorandum that is located on the IWeb. Procurement staff and the Procurement Director will complete final review and approval.

##### ***Step 3: Governing Board Review***

Process. Submission of Procurement strategies and/or non-competitive justifications to the Governing Board for review and acceptance.

Staff Responsibility. Strategies for formally competed procurements and non-competitive justifications will require Governing Board approval. Procurement will attach the staff approved strategy/non-competitive justification to the Governing Board Forecast Summary Report for the next monthly Governing Board agenda.

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All Governing Board questions or concerns will be identified on the day of the monthly Agenda Workshop (Wednesday) and will be addressed by the appropriate Deputy Executive Director/Division levels.

If the Governing Board concerns are resolved, the strategies/non-competitive justifications will be accepted by the Governing Board on the following day at the official monthly meeting date of the Governing Board (Thursday).

If the strategies and/or non-competitive justifications are revised by the appropriate Deputy Executive Director and/or Division levels as a result of Governing Board input, the revised strategies/non-competitive justifications will be resubmitted for approval on the following day at the official monthly meeting date of the Governing Board (Thursday) for final acceptance.

If there are no further revisions required as a result of additional input from Governing Board members, District staff may proceed with the appropriate procurement process detailed in Steps 4 and 5 within ten (10) calendar days following the specific monthly Governing Board meeting.

If additional changes are required, each revised strategy/non-competitive transaction will be resubmitted as part of the Governing Board Forecast Summary Report for approval at the next official monthly meeting date of the Governing Board. The process, as described above, will be repeated to address Governing Board questions or concerns.

#### ***Step 4: Solicitation Release***

Process. Release of solicitations, receipt of bids or proposals, evaluation (RFP, RFI), negotiation (RFP) and award.

Staff Responsibility. Procurement will develop the final solicitation document for public release and will schedule selection committee meetings for all RFIs, as appropriate, and for RFPs.

Upon receipt of proposals, the responses will be evaluated and scored by the selection panel and the firms will then be ranked (RFP, RFI).

RFP: The results will be posted by Procurement. The negotiation team will be established. Negotiations will commence with the top-ranked firm. When agreement of all terms and conditions has been reached between the parties, a contract award will be executed after final Governing Board approval.

#### ***Step 5: Non-Competitive Transactions***

Process. Finalization of contracts/cooperative agreements resulting from waivers of competition, sole source procurements and university justifications.

Staff Responsibility. Procurement will negotiate terms and conditions and prepare contractual documents. After final Governing Board approval of the awards, contracts will be executed for all projects resulting from waivers of competition/sole source procurements. Cooperative agreements will be executed for all projects shared with universities.

### **3-4 Procurement Strategy Guidelines**

A thoroughly contemplated plan is vital to any source selection process. In all source selections, the plan (procurement strategy) is tailored to reflect the complexity of the acquisition.

Source selection is a multi-disciplined team effort from the earliest planning stages. The procurement strategy (source selection plan) must address all the technical, business, management and other significant considerations that will control the procurement. The procurement strategy evolves from the needs requirement (Statement of Work or Specification) and program objectives of the District and will be prepared for all formal solicitation requirements for services (over \$50,000).



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Guidelines for development and organization of the formal procurement strategy (template) are detailed below. The Procurement Strategies will be forwarded on a monthly basis to the Governing Board for review and comment as part of the Contract Summary Forecast Report.

The Procurement Strategy Template is also included on the IWeb for District use. More extensive information supporting the formulation of the Statement of Work or Specifications, the establishment of the marketing/outreach plan and the selection of an appropriate solicitation type and contracting method are set forth in Sections 3-5 through 3-10 of this Chapter.

#### **Procurement Strategy Template/Guidelines**

Page Header Information. Provide the contract number and project title.

General Information. Provide the Project Manager, the anticipated project duration, estimated contract range, estimated number of awards resulting from the solicitation, the quarter planned for solicitation release – Q1 (Oct-Dec), Q2 (Jan-Mar), Q3 (Apr-Jun) or Q4 (Jul-Sept) and the competition type – RFB, Two-Step RFB, RFP, CCNA RFP or RFI.

Background and Objectives. Introduce the plan by a brief statement of need. Summarize the technical and contractual history of the acquisition. Discuss feasible procurement alternatives and any related in-house effort.

*(a) Applicable Conditions.* State all significant conditions affecting the procurement, e.g., requirements for compatibility with existing or future systems or projects and any known cost, schedule and compatibility constraints.

*(b) Cost.* Indicate whether opportunities have been or will be explored to obtain grant funds from other governmental agencies that may also be interested in the project objectives or are involved in similar legislative programs, which will offset District expenditures. Funds from outside sources should be considered when

determining the estimated contract range set forth in the 'General Information' section.

*(c) Services to be Performed.* Describe the nature of the work to be performed and the timelines for the start and finish of the project activities. Specify the skills or technical knowledge required for this project and/or the required capabilities or performance characteristics of the supplies or services and state how they are related to the need.

Competition. Describe how competition will be sought and promoted throughout the procurement process.

*(a) Type of Solicitation.* Discuss and justify the use of sealed bidding (Request for Bids) or negotiation (Request for Proposals) or any combination of these methods.

Describe the source selection methods to be utilized, including the timing for submission and evaluation of proposals, the relationship of evaluation factors (project specific) to the attainment of the procurement objectives and "best value" considerations for reviewing price in relation to the scope complexity and technical requirements.

*(b) Contracting Considerations.* Discuss and justify the selection of contract type, considering the assessment of risk in relation to the overall objectives of the project. Discuss whether options will be included, what special provisions may be needed and what equipment, if any, will be leased or purchased.

Marketing/Outreach Plan. Consider the anticipated response from competitors within the industry for these services in light of the number of potential competitors and the amount and location of the work to be performed.

*(a) Sizing of Project Components.* Address the extent and results of the market research and discuss their impact on the various elements of the plan. Consider and justify the number and size of contracts based on the manner in which the industry typically provides these services

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and the potential opportunities for obtaining a greater minority/small business response.

*(b) Outreach Campaign.* Briefly describe the overall outreach campaign that will be conducted, with consideration of the scope and size of the project, the communities most affected by the project and the availability of minority and small business participation.

*(c) Communication Efforts.* Consider the type of advertising (venues) and locations that should be targeted for maximum response. Describe the types of communication activities to be utilized, e.g., media plans, promotional items, workshops, etc.

Project Manager's Role. For negotiated procurements, provide a rationale supporting the need for the participation of the Project Manager as a voting member of the selection committee or indicate that the Project Manager will serve as a technical advisor only.

If the recommendation is for the Project Manager to participate as a voting member of the selection committee, provide the number and type of projects on which the individual has served as Project Manager in the last five (5) years and the specific contractors managed by this individual in this timeframe.

#### 3-5 Statement of Work

The Statement of Work is critical to successful project performance. It is the key factor in obtaining acceptable responses to a solicitation, in the evaluation of the proposals received and in contractor selection.

A Statement of Work is defined as “a document that accurately, completely and concisely describes the technical requirements for products, supplies or services and includes the standards used to determine whether the requirements have been met.”

Each Statement of Work has contractual and legal implications, clearly outlines deliverables and inspection and acceptance criteria, provides

for and promotes safety requirements, if applicable, and ensures that the contractor receives full and timely compensation for acceptable performance.

The Statement of Work must be formulated to meet District objectives, i.e., no assumptions can exist about what a contractor is expected to accomplish, since it becomes the standard for measuring contractor performance.

The elements of a well-written Statement of Work include the following:

- Precise statement of objectives.
- Clear identification of the work to be performed.
- Parameters by which to define the desired scope of activities and to measure progress and final results.
- Parameters that include detailed requirements relating to scope of work, performance, quality and timeliness, minimum level of effort, qualifications and reporting.
- An ‘end product’ to clearly define the results to be achieved and monitored by means of some tangible form of progress and/or compliance reporting.

Do's for Statements of Work. The following checklist of items should be reviewed in the preparation of the Statement of Work:

- Statements of Work involving multiple technical disciplines should be reviewed by a team comprised of individuals representing key areas of expertise.
- District standards (e.g., software, model application) must be clearly stated to ensure that end products are consistent and compatible with other District projects.
- Language must be clear and concise to avoid confusion about expected contractor

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performance, which can result in unnecessary disputes, litigation and cost overruns.

- Consistency must be evident between the tasks, deliverables, timelines and the summary table outlining the payment and deliverable schedule.
- Acronyms must be defined (spelled out) the first time each one is referenced.
- The term "contractor" or "consultant" must be used consistently throughout the document rather than the specific name of the contracting/consulting firm.
- A realistic schedule for project completion must be established, factoring in other internal commitments and/or impact on other District projects.
- The need for third-party proprietary information or software should be examined.
- All District equipment must be listed if required for project completion.

Don'ts for Statements of Work. The following items should be avoided in the preparation of the Statement of Work:

- Inadequate lead time for preparation, review and finalization.
- Unclear allocation of each party's responsibilities and how they will be met.
- Poor composition and grammar.
- Ambiguous deliverables and time schedules.
- Lack of specificity - how will the District measure or determine that the objectives have been met?
- Use of ambiguous terms or terms that are susceptible to more than one meaning. Clearly describe or explain the use of

"industry terms" or other "terms of art" to avoid possible confusion or misinterpretation.

- Composed to give an unfair advantage to any potential contractor.
- Stating District requirements in terms of "how-to" procedures for achieving results rather than the results needed.
- Identifying subcontractors or other third parties (the District has 'privity' of contract with the prime contractor only).
- Confusing "Statement of Work" with "Scope of Work".
  - The Statement of Work encompasses the entire project framework, including a general overview of the requirement, description of the need for the service or product, tasks and deliverables to accomplish the objectives and the relationship of the requirement to the District's mission and other projects.
  - The Scope of Work is a section within the Statement of Work and is a general synopsis of the work objectives and outlines the extent of work envisioned.

#### Format for Writing a Statement of Work.

- Organize your materials.
- Define the need by examining the project's goals, the objectives to meet these goals and the agenda that will be utilized to reach these goals.
- Outline the document into five (5) major sections:
  - Introduction/Background
  - Objectives
  - Scope of Work
  - Work Breakdown Structure
  - Summary of Deliverables and Payment Schedule

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Preparing a Statement of Work. Instructions and guidelines for developing the formal Statement of Work are included in Exhibit 2.

#### **3-6 Specifications**

Specifications are defined as a “description of the technical requirements for material, products or services that includes the criteria for determining whether these requirements are met. Specifications shall state only the minimum needs and be designed to promote full and open competition for obtaining the supplies or services required.” Contract administration provisions shall not be included as part of the technical specifications.

While the terms ‘specifications’ and ‘statement of work’ are frequently used interchangeably to describe work requirements, ‘specifications’ are most often used within the Statement of Work to describe the required technical aspects of the total work requirement.

To the extent practicable, specifications must be generic in nature and emphasize functional or performance criteria, while limiting design or other detailed physical descriptions to those necessary to meet the District’s needs. Also, to the extent practicable, specifications must utilize accepted commercial standards and limit unique requirements that would tend to favor a firm or supplier or the services of a particular business. Specifications for construction contracts must be presented in CSI format.

*(a) Types of Specifications.* Statements of Work can contain design specifications, performance and/or functional specifications.

Design. A specific framework is established for the work to be performed as well as precise measurements, tolerances, materials, in-process and finished product tests, quality control, inspection requirements and workmanship.

Performance. Work requirements describe the desired operational characteristics to establish criteria by which the final product or results of the services will be evaluated. Performance

specifications establish clearly defined contract goals, technical and schedule requirements, methods of measuring performance, deliverables and other reporting requirements.

The details of the design and/or work method are not specifically defined by the District, except that certain features, parts or safety requirements may be specified by the District. Mandatory requirements are limited to the District’s actual minimum needs.

Functional. The Statement of Work includes specifications that are similar to performance requirements, such that the work scope describes in detail a product or service in terms of performance characteristics (product quality), but also places emphasis on the intended use, end purpose or final objective rather than the manner in which the work is to be performed.

Functional descriptions promote contractor innovation and increase competition by permitting a wide range of distinct supplies or services to qualify for acceptance. A functional specification may be regarded in a similar fashion to a performance Statement of Work. Unlike a performance specification, however, functional descriptions describe the District’s needs without requiring any particular approach or product to achieve the District’s objectives.

When a “brand name only” specification is used, the Project Manager must document the reasons for its use. When brand name or equal specifications are used, one or more brand name(s) and the salient characteristics of the brand name(s) shall be set forth in the solicitation.

#### **3-7 Marketing/Outreach Plan**

General. Market research is the first step in any procurement process after identifying District needs and is an essential part of designing every procurement strategy. The Procurement Strategy team uses market research to obtain information on products and services available in the commercial marketplace.

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Market research is key in determining whether a need can be met by commercial items or services and in identifying commercial practices associated with such items or services. It also has a key impact on the choice of appropriate evaluation factors in a negotiated procurement, in the contracting method and in the type of information to be included in proposals.

A thorough research of the market should be done as soon as needs are forecast and as part of procurement planning. Determine the current status of technology, extent of commercial applications and source availability.

Market Research Techniques. A variety of techniques may be used to conduct market research and may include:

- Contacting knowledgeable individuals regarding market capabilities.
- Reviewing the results of recent market research (advances, capabilities).
- Querying government or commercial data bases.
- Participating in interactive industry and scientific workshops, conferences and symposia.
- Utilizing business/trade fairs and pre-solicitation conferences (forecast of future direction and requirements).
- Visiting sources to review system requirements and the functioning of products or services that are commercially available.
- Reviewing catalogs and product literature regarding product availability, reliability and prices.
- Analyzing procurement history by examining quality and extent of competition, prices and performance results.

- Utilizing Requests for Information (RFI) to obtain information from industry on business capabilities, price and availability.

Impact. By combining several of these techniques or approaches, the District will be able to better define the requirements statement, specification development and contracting approach.

With a better understanding of the current technology available, the District will be in a position to identify the sizing of a requirement which will encourage new and possibly more qualified sources to respond to District solicitations, including minority and women-owned small businesses. With more sources to solicit, more competitive bids or proposals can be anticipated, which will result in contracts that are more advantageous to the District.

Presolicitation Dialogue. In conducting any dialogue with industry prior to the release of a solicitation, District staff must be careful to:

- Release all information on a fair and equitable basis consistent with public procurement principles.
- Establish clear ground rules for the conduct, timing and documentation of any one-on-one meetings to ensure that potential respondents are given equal access to information to prepare bids or proposals.
- Protect any proprietary information that is provided during this process, as established under Chapter 119, Florida Statutes regarding exemptions to public records.
- Request advice from Procurement management and Office of Counsel if any questions arise during presolicitation information exchanges or meetings.

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#### **3-8 Selection of Appropriate Solicitation Method**

Competition is the cornerstone of the District's procurement process. All District procurements over the threshold of \$50,000 require formal solicitation procedures and Governing Board approval of the final contract award. Formal competitive procedures may take the form of a Request for Bids (RFB), Request for Proposals (RFP) or Request for Information (RFI) or any combination of these methods.

The method of procurement determines the basis for awarding the contract. Use of an RFB will result in a contract award based on price and price related factors alone. Use of an RFP will result in a contract award based on an integrated assessment of each proposal, with the final selection involving considerations other than price. In either case, the contractor must meet the requirements for responsiveness and responsibility, which will be discussed briefly below and will be more clearly defined in Chapter 5 of this Manual.

An overview of the formal solicitation methods available at the District and standards for their use is set forth below. A general matrix of formal solicitation types and the procurement process is included in Exhibit 2.

##### **❖ Request for Information (RFI)**

A Request for Information (RFI) is used to obtain information on the availability of a product or service in the marketplace or to establish a list of qualified vendors and/or contractors based on evaluation factors included in the RFI. If the RFI is used to establish a pre-qualified list, the RFI must be re-issued on an annual basis.

The RFI is always used as a first step of a two-step process, requiring release of a RFB or RFP as the second step, except for non-construction procurements of \$100,000 or less. If detailed specifications can be generated, a Request for Quotes (RFQ) may be released (instead of an

RFB) for these types of transactions as the 2nd step in the process.

When differing methodologies can be used to perform the same services or qualitative factors need to be evaluated, an RFP must be released as the 2nd step of the process regardless of the dollar value.

If an RFP is the appropriate solicitation method, the RFI may be used to establish a pre-qualified list of potential contractors, with the RFP issued only to those firms pre-qualified during the RFI stage.

Final award (contract or purchase order) is made to the successful firm(s) based on the procedures followed for the type of solicitation (RFQ, RFB, RFP) selected in the 2nd step of the process. Procedures associated with the RFQ solicitation method are discussed in more detail in Chapter 2-2 of this Manual. The RFB and RFP process are discussed in more detail in this section and Chapters 4 and 5.

##### **❖ Request for Bids (RFB)**

Competitive sealed bid procedures are utilized when the commodities or services to be procured can be described in clear and detailed specifications to meet District requirements.

A Request for Bids (RFB) is the preferred solicitation method for use by District staff whenever the following conditions exist:

- There is adequate time for the solicitation, submission and evaluation of sealed bids.
- The award will be made on the basis of price and other price-related factors. Price related factors include consideration of:
  - Possible delays to the District from differences in inspection, location of supplies and/or transportation (e.g., F.O.B. origin vs. F.O.B. destination).

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- Changes made, or requested by the bidder, in any of the provisions of the Request for Bids (e.g., more economical packaging or more efficient marking standard), if the change does not constitute a basis for rejection of the bid, as set forth in Chapter 5-4.
  - Advantages or disadvantages to the District resulting from making more than one award. Individual awards shall be made for the items or combination of items that result in the lowest aggregate cost to the District, including administrative costs.
- It is not necessary to conduct discussions with the respondents to the solicitation.
- Adequate competition exists, i.e., there is reasonable expectation of receiving at least two (2) sealed bids.

For all RFBs resulting in a formal contract award, the Project Manager must prepare a *Procurement Strategy* (following the Procurement Strategy team meeting) for review and acceptance by the Governing Board prior to the release of the RFB.

All bidders must submit sealed bids to be opened at the time and place specified in the solicitation.

All bids are publicly opened. Bids are reviewed for *responsiveness*, i.e., whether the bid conforms to the instructions and requirements of the solicitation document, including bonding, insurance and licensing requirements.

An *apparent low* bidder is determined from those firms that submitted responsive bids. A *responsibility* review is conducted by District staff to determine whether the firm has the capability in all respects to perform the work and has the integrity and reliability to ensure good faith performance. Final results are posted for a 72 hour period.

No evaluation criteria are included in the RFB nor are discussions held with respondents to sealed bidding. Final award is always a firm fixed price contract or purchase order. A few reasons for the use of sealed bidding are as follows:

- In most cases, sealed bidding is used to procure supplies or services that can be described definitively (including construction) by a specification or a design disclosure package.
- Sealed bidding is used to procure goods or services for which there may be a long history of competitive market-place pricing.
- Given a definitive requirement, sealed bidding enables respondents to compete fully and openly on a uniformly interpreted requirement.

Award is made to the responsive and responsible bidder whose bid is most advantageous to the District considering only price and price-related factors set forth in the solicitation. It is extremely important, therefore, that the RFB clearly and completely describes the product or services, since the sealed bid process permits no discussion.

Examples of District requirements that are appropriate for use of an RFB include:

- Construction projects and related services (e.g., pump station repairs and parts/equipment replacements)
- Facility maintenance services
- Building installation
- Purchase or lease of equipment, materials, supplies and other personal property

The complete solicitation to award process is completed in approximately six (6) weeks.

#### ❖ Two-Step Sealed Bidding

Two-step sealed bidding is a combination of competitive procedures designed to obtain the

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benefit of sealed bidding when adequate specifications are not available. It permits a certain flexibility where the technical effort cannot be precisely defined to issue specifications, but the contract will ultimately be awarded using sealed bid procedures.

This method is particularly useful in complex procurements requiring technical proposals and is an alternative to negotiation when all of the following conditions are present:

- Available performance or functional specifications or purchase descriptions are not definite, complete or may be too restrictive without technical evaluation and discussions.
- Definite criteria exist for evaluating technical proposals in the 1st step.
- More than one technically qualified source is expected to be available.
- Sufficient time is available for use of the two-step method.
- Contract award will be firm-fixed price.

As with a standard RFB (resulting in a formal contract award), the Project Manager must prepare a *Procurement Strategy* (following the Procurement Strategy team meeting) for review and acceptance by the Governing Board prior to the release of the two-step RFB.

Step One of the two-step process consists of the request for, submission, evaluation and discussion (if necessary) of technical proposals, including, for example, the proposed approach to the construction plan, overall qualifications of personnel, work sequencing, subcontractor management plan, manufacture, transport or other special services and/or testing techniques. No pricing or price information is submitted. The solicitation document utilized in Step One is an RFP, which includes evaluation criteria and a request for technical proposals only.

After review and evaluation of proposals, a decision is made by the selection committee as to the technical acceptability of the proposals. Non-responsive proposals are eliminated. The acceptable technical proposals will enter into Step Two.

Step Two involves the submission of standard sealed price bids under an RFB from those respondents with acceptable technical proposals in Step One and follows the sealed bid procedures described above and in Chapters 4 and 5. As with a standard RFB, a fixed-price contract award is made to the responsive and responsible bidder whose bid is most advantageous to the District considering only price and price-related factors set forth in the solicitation.

Two-step sealed bidding is appropriate when a requirement is complex but the use of negotiations is not determined to be necessary. Examples include multi-year contracts and facilities contracts.

The complete solicitation to award process can be completed in approximately 2 months.

#### **❖ Request for Proposals (RFP)**

The competitive sealed proposal method of source selection, referred to as the Request for Proposal (RFP) process allows for consideration of other factors in addition to price when selecting a contractor.

While the RFB is used for procurements when award is based on price alone, the competitive sealed proposal method is a valuable means of ensuring that specialized experience, professional skills, past performance, innovation and other related criteria are also given consideration when selecting a contractor.

Additionally, when the requirements of a project cannot be sufficiently defined, the RFP process is used as the second step of a two-step RFI (used to establish a list of qualified contractors) for soliciting and selecting the most qualified firm to perform the required work.



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Any contract awarded without using sealed bidding procedures is a negotiated contract. Negotiation is a procedure that includes receipt of proposals (offers) from respondents, permits bargaining and provides an opportunity for a respondent to revise the proposal before award of a contract.

An RFP should not be issued without a definite intent on the part of the District to award a contract. Funds must either be available or identified in the budget. If the information is being sought only for planning purposes and there is no intent to award a contract, then an RFI should be utilized, since a proposal received in response to an RFP can be accepted by the District and result in a binding contract.

District staff must justify use of the proposal method through the preparation and approval of a *Procurement Strategy*. The strategy will require the review and acceptance of the Governing Board prior to the release of the RFP.

The following reasons support consideration of the sealed competitive proposal process:

- Services cannot be described definitively by a specification or a design disclosure package to permit selection based on bid price alone.
- Judgment is necessary to evaluate alternative methodologies or approaches (requirements cannot be uniformly interpreted), which may require clarification or discussions to obtain the most advantageous proposal for the District.
- Project requirements can best be met through a balance of pricing, quality, qualifications and consideration of other factors (when price alone may not be the primary consideration for award).
- Testing, experimentation or evaluation is required to determine the feasibility and application of an untried technology or approach.
- Promoting opportunities for small and minority/women owned businesses for projects that are appropriate for soliciting via an RFP.

Standard Request for Proposals require a formal Statement of Work, publicly noticed selection committee meetings and the submission of technical and cost proposals. A selection committee scores technical proposals in accordance with the evaluation criteria detailed in the RFP.

Cost proposals may be evaluated by the selection committee or by Procurement depending on the complexity of the project and the proposal rating method (evaluation of cost to technical factors) set forth in the solicitation.

Following the technical evaluation, Procurement prepares the final ranking summary and determines the need for discussions with the top-ranked firms in consultation with the selection committee members.

Oral presentations may be conducted in the event of scoring ties, if the composite raw scores of the committee members and summary rankings result in different #1 ranked firms or if the final ranking results of the #1 and #2 ranked firms are extremely close (within 5 points or less of each other).

All changes to the scoring by the selection committee members following the oral presentations must be supported by a written justification. Procurement will prepare the final ranking summary a second time. This final ranking will be posted for a 72 hour period.

Negotiations may be conducted with the top-ranked firm regarding price, scheduling, technical requirements and other terms and conditions. If negotiations are conducted and are not successful, negotiations will commence with the next top-ranked respondent. Negotiations will be conducted in this manner until agreement has been reached between the parties.

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Final award is made to the responsive, responsible firm(s) most advantageous to the District, with price, quality, services and other factors considered. Debriefings are offered to all unsuccessful firms.

Examples of District requirements that are appropriate for use of an RFP include:

- Research projects and related services
- Software Modeling
- Water quality measurement and monitoring
- Data collection, analysis and integration
- Mapping services
- Feasibility studies
- Planning and reuse studies
- Hydrologic investigations

The complete solicitation to award process is completed in approximately 3 months.

#### **❖ Consultants' Competitive Negotiation Act (CCNA) RFP**

This type of competitive sealed proposal method of source selection is issued in accordance with the legal requirements established under the Consultants' Competitive Negotiation Act (CCNA) as set forth in Section 287.055 of the Florida Statutes. A negotiated procurement (RFP) is required by statute for all CCNA projects.

Statutory procedures are followed for the acquisition of services as defined by CCNA for District projects that require certification by certain licensed professionals for work that must be performed in accordance with certain industry standards or practices.

These include the professional services of architects, engineers, landscape architects and registered land surveyors and mappers.

As with the standard RFP, a formal Statement of Work is required as well as publicly noticed selection committee meetings. However, the RFP requires the submission of technical proposals only. No cost proposal is submitted.

A selection committee evaluates responses strictly on the basis of the qualifications of the proposed team and the technical merit of the proposal, in accordance with the evaluation criteria detailed in the RFP, as described in further detail in Chapter 4 of this Manual.

In addition, unlike the standard RFP, discussions are required following the technical evaluation/initial ranking and must include a minimum of the top-ranked three (3) firms as participants. Discussions may be teleconferenced or conducted through oral presentations.

All changes to the scoring by the selection committee members following the discussions must be supported by a written justification. Procurement will prepare the ranking summary a second time. This final ranking will be posted for a 72 hour period.

Following completion of the evaluation process, Procurement will request a detailed cost proposal from the top-ranked respondent. Negotiation procedures are required by statute regarding cost elements and final price, scheduling, technical requirements and other terms and conditions.

If negotiations are not successful, the District will formally terminate the negotiation procedures and will request a cost proposal of the next top-ranked respondent. Negotiations will be conducted in this manner until an acceptable agreement has been reached between the parties.

Final award will be made to the responsive, responsible firm(s) considered to be most qualified at a price the District determines to be fair, competitive and reasonable. Debriefings are offered to all unsuccessful firms.

The complete solicitation to award process requires a minimum of 3 months.

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#### **❖ Design-Build Contracting**

Design-build contracting is a combination of competitive procedures designed to obtain the benefit of sealed bidding with an evaluation of professional qualifications (licensed design professional) and technical proposals.

A “design-build” contract is defined as a single contract award with a design-build firm for the design and construction of a public construction project. Design-build contracting must comply with the Consultants’ Competitive Negotiation Act (“CCNA”) as defined in Section 287.055, Florida Statutes.

Design-build contracting is a variation of the two-step sealed bidding discussed previously in this section. It is designed to obtain the benefit of sealed bidding when adequate specifications are not available. It permits a certain flexibility where the technical effort cannot be precisely defined to issue specifications. This method is particularly useful in complex procurements requiring technical proposals and is an alternative to negotiation when all of the following conditions are present:

- Available performance or functional specifications or purchase descriptions are not definite, complete or may be too restrictive without technical evaluation and discussions.
- Definite criteria exist for evaluating professional qualifications in the 1st step.
- More than one technically qualified source is expected to be available.
- Sufficient time is available for use of the two-step method.
- Contract award will be based on a guaranteed maximum price.

Step One of the two-step process consists of the request for, submission and evaluation of letters of interest/qualification statements. The factors to be evaluated include the qualification criteria set forth under the CCNA competitive selection process, as discussed in more detail in Chapter 4 of this Manual.

As previously indicated, CCNA procedures are mandated by statute when certification is required by certain licensed professionals covered by the Act (including design criteria professionals) for work that must be performed in accordance with certain industry standards or practices. No pricing or price information is submitted as part of Step One. The solicitation document utilized in Step One is a Request for Information (RFI), which includes evaluation criteria and a request for qualification statements only.

After review and evaluation of the qualification statements, a selection committee will short-list a minimum of three (3) design-build firms (in accordance with CCNA procedures - or all firms if there are fewer than three respondents) as the most qualified based on the evaluation criteria included in the RFI. The qualified design-build firms will enter into Step Two.

Step Two involves the request for and submission of two sealed envelopes. The first sealed envelope includes the technical proposal, with a detailed design and engineering approach. The CCNA RFP for the technical proposal will contain the method of evaluation and evaluation factors. The second sealed envelope contains the cost proposal that includes a guaranteed maximum price (GMP). The second envelope (cost proposal) will remain sealed until all short-listed firms have concluded their oral presentations.

After the oral presentations, the selection committee will rate each firm (0-100 point scale) based on the qualifications, technical proposal and oral presentation. The final point rating of each firm will be the average of the point ratings of the selection committee members.

The cost proposals will then be publicly opened. The GMP will be divided by the numerical rating for each firm to produce an adjusted number that will be the basis of the final award decision.

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The Design-Build competitive process is a “turnkey” approach to obtaining proposed design solutions to a construction project. It is appropriate when a requirement is complex and requires technical discussions, but the use of negotiations is not determined to be necessary. It can be used for complex construction projects requiring a joint partnership approach, with strong project management coordination and oversight.

The complete solicitation to award process can be completed in approximately 3 months.

#### **3-9 Types of Contracts**

General. A selection of contract types is available at the District to provide needed flexibility in acquiring the variety and volume of supplies and services at the District. Contract types vary according to the (1) degree and timing of the responsibility assumed by the contractor for the costs of performance and (2) the amount and nature of the profit incentive offered to the contractor for achieving or exceeding specified standards or goals.

Types. The contract types are grouped into two broad categories: (1) fixed price contracts and (2) cost reimbursement contracts. The specific contract types range from firm fixed price, in which the contractor has full responsibility for the performance costs and resulting profit (or loss) to cost plus fixed fee, in which the contractor has minimal responsibility for the costs of performance and the negotiated fee (profit) is fixed.

In between, there is the potential for various incentive contracts in which the contractor’s responsibility for the performance costs and the profit or fee incentives offered are tailored to the uncertainties involved in contract performance.

The common contract types used at the District include firm fixed price, work order, time and materials and cost reimbursement.

Boilerplate terms and conditions have been created at the District for each contract type

(and cooperative agreements) and are tailored to meet the project requirements for each type of contract, e.g., legal assistance, software development, invoicing, data rights, equipment, bailment and construction. The use of standardized provisions for each contract type has reduced the number of negotiated changes to contract terms and the need for extensive Office of Counsel review prior to awarding District contracts.

Policy. Contracts resulting from sealed bidding (Request for Bids) shall be firm fixed price contracts. Cost-plus-a-percentage-of-cost contracts are prohibited. This type of contract allows the contractor to obtain profit, expressed as a percentage, based on the dollars expended in performing the work, resulting in no incentive to control or manage costs.

#### **3-10 Selection of Contract Type**

General. Determining the appropriate type of contract to be used for a District requirement is an important decision. The rationale for the selection will be included in the Procurement Strategy for the project. Selecting a contract type requires consideration of several factors, including the following:

- Technical complexity involved in performing the work.
- Urgency of the requirement.
- Performance risks.
- Contractor’s motivation to perform.
- Expected length of the performance period.
- Adequacy of a contractor’s accounting system.
- Extent and nature of potential subcontracting.

Characteristics of Contract Types. The choice of contract type should primarily be based on contract risk, coupled with a reasonable price in the case of fixed price contracts or cost and fee for cost-reimbursement contracts.

The more clearly defined the Statement of Work and Specifications, the more likely the

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contractor will be able to estimate (greater certainty) the cost and price to perform the work, making it appropriate to award a fixed price type of contract.

Conversely, the less well defined the Statement of Work and Specifications (e.g., feasibility studies or research), the more likely the estimated cost and price to perform the work will be uncertain (requiring possible contingencies) and a negotiated, cost reimbursement (not-to-exceed) type of contract would be appropriate.

**Profit and Fee.** While there is no statutory limitation on the amount of profit or fee that may be earned under District fixed price or cost reimbursement contracts, all profit/fee factors are evaluated and negotiated in accordance with procedures designed to provide the contractor with a fair and reasonable profit margin based on the District's assessment of the risks and other factors involved to complete the project. More details are provided in Chapter 5-5, *Negotiation*. The "weighted guidelines" method may also be used for this purpose.

Federal statutory limitations may be considered in determining the fee under cost reimbursement contracts.

For experimental, developmental or research work under a cost plus fixed fee contract, the fee, as prescribed by federal law, cannot exceed 15% of the agreed upon estimate, excluding the fee itself. For other cost plus fixed fee contracts, the fee cannot exceed 10% of the contract's estimated cost, again excluding the fee itself. For architect-engineering services (CCNA) for public works or utilities, the fee for the portion covered by the production and delivery of designs, plans, drawings and specifications cannot exceed, under a cost plus fixed fee contract, 6% of the estimated costs of construction of the public work or utility, excluding the fee itself.

Consideration of these fee limitations should also be applied to cost plus incentive fee and cost plus award fee contracts.

The amounts allocated to fee and profit are basically interchangeable – they represent the same dollar amount for all practical purposes. Examples of the amounts allocated to profit and fee levels at the District are detailed in Chapter 5-5 of this Manual.

#### ❖ Fixed Price Contracts

A fixed price contract is the preferred method of contracting at the District. Under a fixed price type of contract, the contractor is bound to do the work for a specified fixed amount. If the contractor exceeds the fixed price, any additional dollars required to complete performance will be paid by the contractor. The only exceptions are for contract modifications and adjustments under appropriate contract provisions or for the application of liquidated damages, adjustments for defective workmanship and material or latent defects.

Under a firm fixed price contract, the contractor assumes the greatest cost risk. Contractors are motivated to manage costs efficiently and economically to remain profitable, while at the same time maintaining an obligation to the District to satisfy the requirements of the contract and to deliver the services and deliverables in an acceptable and timely manner. This becomes especially critical when coordinating and overseeing the work of subcontractors. The District utilizes fixed price payment schedules (based on phased deliverables) in both firm fixed price and not-to-exceed contracts.

A firm fixed price contract is suitable for acquiring commercial items or for acquiring other supplies or services on the basis of reasonably definite functional or detailed specifications or statement of work and when the District can establish fair and reasonable prices at the outset by one of the following methods:

- There is adequate price competition.
- There are reasonable price comparisons with prior purchases of the same or similar

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supplies or services made on a competitive basis or supported by cost or pricing data.

- Available cost or pricing information permits realistic estimates of the probable costs of performance.
- Performance uncertainties can be identified and reasonable estimates of their cost impact can be made and the contractor is willing to accept a firm fixed price representing assumption of the risks involved.

#### Two Variations of Fixed Price Contracts.

(a) *Fixed price contract with provisions for economic price adjustment.* The application of price protection may be used when there are reasonably definable economic uncertainties (unstable labor or material market conditions) that threaten long-term, fixed price type arrangements. Information to support or confirm any adjustments is essential.

Determining a price that may be adjusted is accomplished in the following steps:

- Set a firm fixed price free of contingencies.
- Identify items or efforts subject to adjustments.
- Set a ceiling and a determination of the ground rules for adjustment (up and down).
- Revise prices up or down during performance as defined by market conditions.

(b) *Fixed Price Incentive.* This type of fixed price contract is used when risk cannot be reduced to a level that is acceptable for a firm fixed price award, but the product or service has been defined and understood by both parties. The final price is adjusted based upon the final negotiated cost in accordance with a predetermined formula. Cost is normally the only incentive used, but technical and schedule incentives may be incorporated, provided a cost incentive is also used.

Significant administration is required for this type of contract, making it inappropriate for research or development projects.

Elements of this type of award include target cost, target profit, target price and a share formula that operates within a specified price ceiling. Contractor profit may be reduced if actual costs exceed the target cost and increased if actual cost is below target, as follows:

- Set a target cost (baseline cost agreed to by both parties after analysis and negotiation).
- Set a target profit that is determined to be fair and reasonable (target cost + target profit = total price).
- Set a target price (may not appear anywhere in contract).
- Set a ceiling price (dollar amount at which the District's obligation to pay ceases). When contract cost reach this level, the contractor's profit is zero dollars. Any expenditure beyond the ceiling price must be absorbed by the contractor.

#### ❖ **Work Order Contracts**

Work Order contracts provide for an indefinite quantity, within a not-to-exceed contract dollar limit, of supplies or services to be furnished during a fixed period, with deliverables or performance to be scheduled through the placement of individual orders with one or more contractors.

Work order contracts are appropriate when the exact timing, quantity or need for services is unknown or unpredictable (e.g., laboratory analyses, field tests of flow monitoring, well drilling). A minimum level is not guaranteed by the District.

Multiple awards should not be made if the District determines that:

- Only one contractor is capable of providing performance at the level of quality required

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because the supplies or services are unique or highly specialized.

- The cost of administration of multiple awards may outweigh any potential benefits from making multiple awards.
- The tasks likely to be ordered are so integrally related that only a single contractor can reasonably perform the work.
- Multiple awards would not be in the best interest of the District.

Each work order will define the tasks required, the pricing agreed to and the schedule of deliverables. The total dollars associated with all work orders under a contract must not exceed the dollar level of the contract. The work order is based on fixed labor rates and other anticipated unit costs that have been negotiated as part of the initial contract and are attached as an exhibit to the award. Individual work orders can be issued on either a firm fixed price or not-to-exceed basis.

Contractors are not authorized to proceed until funds have been encumbered by the Contract Specialist and a work order is issued. The work order is signed by the Project Manager and Contract Specialist and acknowledged by the contractor.

#### **❖ Time and Materials Contracts**

A time and materials contract is appropriate when it is not possible at the time of awarding the contract to clearly define the work and estimate accurately the extent or duration of the services or to anticipate costs with any reasonable degree of confidence. Examples include legal services (outside counsel, mediators, arbitrators), expert witnesses and programming services.

All costs are negotiated and agreed upon by the parties at the time of contract award. The contract must include a not-to-exceed contract amount (ceiling level).

A time and materials contract provides for the acquisition of supplies or services on the basis of:

- Direct labor hours at specified fixed hourly rates that include wages, overhead, general and administrative expenses and profit.
- Materials at cost, including, if appropriate, material handling costs as part of the material costs.
- Other Direct Costs.

Other direct costs may include travel as well as meals and hotel costs (within statutory limits), report reproduction, etc. Currently, statutory limitations restrict mileage to no more than \$.29 per mile and meals to the not-to-exceed amount of \$21.00 per day.

Material handling costs, when included as part of the materials costs, shall apply to costs clearly excluded from the labor-hour rate. Material handling costs may include all appropriate indirect costs allocated to direct materials in accordance with the contractor's usual accounting procedures.

A time and materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. The burden is, therefore, on the District's Project Manager to closely monitor day-to-day activities to give reasonable assurance that efficient methods and effective cost controls are being used. Frequent progress reporting is essential and the administrative burden is high to ensure contract compliance.

Contractors must submit monthly invoices and shall provide detailed documentation of the hours expended (copies of time sheets) and all other expenses anticipated under the contract, including, but not limited to, travel, travel authorizations, copying charges, per diem expenditures, payment vouchers, expense reports, receipts and any subcontractor invoices, if applicable.

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#### ❖ Cost Reimbursement Contracts

General. Cost reimbursement contracts provide for payment of allowable incurred costs, to the extent prescribed in the contract. The contract establishes an estimate of the total cost for the purpose of encumbering funds and provides a ceiling that the contractor may not exceed (without District approval and a written amendment) except at the contractor's own risk.

Application. Cost reimbursement contracts are suitable for use only when uncertainties involved in the Statement of Work and subsequently in contract performance do not permit costs to be estimated with sufficient accuracy to use any type of fixed price contract. A cost reimbursement contract may only be used when:

- The contractor's accounting system is adequate for determining costs applicable to the contract.
- There will be adequate monitoring of the contract by the Project Manager during performance to provide reasonable assurance that efficient methods and effective cost controls are utilized.

A cost reimbursement contract shall not be used as a substitute for developing a detailed Statement of Work or allowing adequate procurement lead time.

Under any cost reimbursement type contract, the contractor agrees to use its best efforts in completing the work within the mutually agreed upon cost estimate. The contractor also agrees to notify the District within a prescribed number of calendar days when the contractor's expenditure rate has reached a specified percentage of the total contract amount. The contractor will then provide the District with a revised estimate of the cost to complete the work if the estimate is greater than the initial contract amount.

Unless the District modifies the contract to reflect the new estimate of costs, the contractor

is not obligated to continue performance beyond the original cost. The risk for completion of performance, therefore, rests on the District because the contractor has no motivation to minimize costs since reimbursement of authorized expenditures (allowable and allocable) is guaranteed up to the ceiling (not-to-exceed) price.

For these reasons, a cost reimbursement type contract is the least common at the District and, if utilized, is generally only awarded to firms for truly developmental type research (e.g., pilot projects).

As in a time and materials type contract, frequent progress reporting and technical milestones are essential to keep the project on-track and the administrative burden is high, particularly on the part of the Project Manager, to ensure contract compliance.

Contractors must submit monthly invoices and shall provide detailed documentation of the hours expended (copies of time sheets) and all other expenses anticipated under the contract, including, but not limited to, travel, travel authorizations, copying charges, per diem expenditures, payment vouchers, expense reports, receipts and any subcontractor invoices, if applicable.

#### Variations of the Cost Reimbursement Contract.

(a) *Cost Contracts.* The cost contract is a cost reimbursement contract where the contractor receives no fee. It is best suited to research and development work, particularly with non-profit organizations and educational institutions. Cooperative agreements (refer to Chapter 10 of this Manual) are commonly used at the District for cost type agreements.

(b) *Cost-Sharing Contracts.* The cost sharing contract is a cost reimbursement contract where the contractor receives no fee and is reimbursed only for an agreed-upon portion of its allowable costs. It is most appropriate for interagency (federal and state) and local governmental type



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cooperative agreements at the District, which are covered under Chapter 10 of this Manual.

(c) *Cost Plus Fixed Fee Contracts.* A cost plus fixed fee contract is a cost reimbursement contract that provides for payment to the contractor of a negotiated fee that is fixed at the execution date of the contract. The fixed fee does not vary with actual cost, but may be adjusted as a result of the changes in the work to be performed under the contract.

This contract type permits contracting for efforts that might otherwise present too great a risk to contractors, but as with all cost reimbursement contracts, provides the contractor with a minimum incentive to control costs. A cost plus fixed fee contract is suitable for use when the:

- Contract is for the performance of research or preliminary exploration or study and the level of effort required is unknown (not to be used after the preliminary work is completed and there is indication of a high degree of probability that the work is achievable, with measurable performance objectives and schedules).
- Contract is for unknown technological development and testing and a cost plus incentive fee is not practical.

A cost plus fixed fee type contract can be defined as either “completion” or “term”.

The “completion” form contract describes the Statement of Work in terms of definite goals or targets and specifies an end product, usually a report of research accomplished within the estimated cost, if possible. If the District must increase the estimated cost to complete the work, the District may require more effort without any additional fee.

The “term” form contract describes the Statement of Work in general terms and requires the contractor to devote a specified level of effort within a definite time period. If performance is satisfactory to the District, the fixed fee will be paid at the expiration of the

agreed upon period upon certification by the contractor that the level of effort specified in the contract has been expended in performing the contract work. Any additional time must be resolicited by the District with new cost and fee arrangements with the successful contractor.

(d) *Cost Plus Incentive Fee Contract.* This type of cost reimbursement contract is used when cost uncertainties preclude application of any type of fixed price contract and when the risk is not great enough to warrant a cost plus award fee or fixed fee contract.

The contract provides for an initially negotiated fee that is adjusted later by a formula based on the relationship of total allowable costs to total target costs. It is designed to motivate contractor performance and discourage inefficiency and waste.

Elements of this type of award include target cost, target fee and a fee adjustment formula, that provides for increased fee when final costs are below target and a reduced fee in the reverse, by operating within the constraints of a minimum and maximum fee.

Since it is usually to the District’s advantage for the contractor to assume substantial cost responsibility and an appropriate share of the cost risk, fixed price incentive contracts are preferred when contract costs and performance requirements are reasonably certain.

(e) *Cost Plus Award Fee Contract.* The cost plus award fee contract is a cost reimbursement contract that provides for a fee consisting of (1) a base amount fixed at inception of the contract and (2) an award amount that the contractor may earn in whole or in part during performance and that is sufficient to provide motivation for excellence in such areas as quality, timeliness, technical ingenuity and cost effective management. This type of contract does not include predetermined targets and automatic fee adjustment formulas.

The amount of the award fee to be paid is determined by the District’s evaluation of the

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contractor's performance in terms of the criteria stated in the contract. This decision is made unilaterally by the District and is not subject to appeal by the contractor. The cost plus award fee is suitable when:

- The work to be performed is such that it is neither feasible nor effective to devise predetermined objective incentive targets applicable to cost, technical performance or schedule.
- The contract motivates the contractor toward exceptional performance and provides the District with the flexibility to evaluate both actual performance and the conditions under which it was achieved.
- Any additional administrative effort and cost required to monitor and evaluate performance are justified by the expected results.

Cost plus award fee contracts shall provide for evaluation at stated intervals during performance, so that the contractor will periodically be informed of the quality of its performance and the areas in which improvement is expected. Partial payment of fee will generally correspond to the evaluation periods.



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### **4-1 Principles**

The formal solicitation process is one of the most important elements in meeting the District's goals and objectives. The solicitation is the mechanism used by the District to identify its needs to the public and advertize them through clear and concise solicitation documents. Procurements over \$50,000 are subject to formal competitive procedures and require award approval by the Governing Board.

The District shall promote and provide for fair and open competition through use of the formal competitive procedures or combination of competitive procedures contained in this Chapter and Chapters 5 and 6.

The determination of the appropriate solicitation method is discussed in Chapter 3, *Formal Procurement Planning*. District staff must prepare a Procurement Strategy for each project that will be awarded a contract through a formal competitive solicitation process, i.e., a Request for Bids (RFB), a Request for Proposals (RFP), a Request for Information (RFI) or a combination thereof. The formal procurement strategy also will require review by the Governing Board prior to release of the solicitation and contract award.

### **4-2 Responsibilities**

The preparation of a solicitation requires a dedicated and joint effort of District staff members, including professionals from Project Management, Procurement, Office of Counsel, Budget, Equity in Contracting and Risk Management. The Project Manager, in particular, is a key individual in preparing the solicitation, by shaping the project requirements in order to achieve program directives. Procurement, however, has the ultimate responsibility for the actual solicitation document since Procurement's role at the District is to ensure that all rules, regulations, policies and laws are followed before entering into a contract award.

**Note:** The role of each member of the procurement team is to exercise sound business judgment throughout the procurement process. This is especially critical during the pending solicitation and actual solicitation phases. In order to promote competition and to conduct business with integrity, fairness and openness, it is important to restrict all communications and/or interactions with prospective contractors to discussions of broad program objectives rather than specific details of upcoming project requirements.

All questions regarding a particular District solicitation (pending or released) must be directed to the Procurement office representative. This will ensure that the District is maintaining the public's trust in fulfilling public policies regarding a fair and open competitive process.

An overview of the entire procurement process and overall responsibilities of District staff is set forth in Chapter 1, *Introduction*. In addition, a Procurement Contract File Checklist, which outlines each stage of the solicitation to award process, is included in Exhibit 1.

### **4-3 Request for Bids**

The Request for Bids (RFB) is used to initiate a competitive sealed bid procurement. The RFB shall include, but not be limited to, the following:

- Instructions and information to potential bidders concerning the bid submission requirements, including the time and date set for receipt of bids; time, date and location of any pre-bid conferences and whether such conferences are mandatory; and the address where bids are to be delivered.
- The bid specifications, delivery and performance schedule and any special instructions as necessary.
- A sample contract with terms and conditions, including warranty and bonding requirements, as applicable.

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- A statement that award shall be made to the lowest responsive and responsible bidder.
- If not included in the bid documents, a notice of where prospective bidders may obtain a copy of all drawings or other project-related materials.
- A provision that prospective bidders must provide specific identification of those portions of their bids that they deem to be confidential and that bidders must cite the specific statutory exemption from public records requirements pursuant to Section 119.07, Florida Statutes.
- A notice of the prospective bidder's rights to protest, in writing, any provisions of the contract documents within 72 hours of receipt of the RFB.
- A notice of the bidder's rights to protest the District's intended decision to award a contract within 72 hours of official posting.
- A notice that bids may be withdrawn only up to the exact time of opening; subsequently, a bid may be withdrawn only with the approval of the District.
- For all contracts exceeding \$200,000 in value, a notice that the bid must be accompanied by a Bid Bond or Cashier's check equal to five percent (5%) of the base bid amount and meeting all other solicitation bonding requirements. All bonding companies must be listed in the *Federal Register, Department of the Treasury Fiscal Service, Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies*.
- A requirement for acknowledgment of any addenda to the solicitation.
- A notice that bids, once received, become the property of the District and will not be returned to bidders even when they are withdrawn from consideration.
- A notice that bids will be made available for public inspection at the time the District posts notice of its decision or intended decision concerning contract award or ten (10) days after the submission deadline, whichever is earlier.
- A notice that the District shall not be liable for any expenses incurred in connection with the preparation or submission of a bid.
- A requirement for acknowledgment of any addenda to the solicitation.
- A notice that the District reserves the right to reject any and all responses when such rejection is in the District's best interest.
- A notice that bidders who will not be submitting a bid should return a 'No Response' form or risk being dropped from the District's database for noticing of future solicitations.
- A statement establishing minimum insurance and licensing requirements (as applicable) if a bidder is awarded a contract.
- A statement regarding M/WBE requirements, including the participation plan and utilization forms.
- A notice regarding public entity crimes and compliance with the mandates of Section 287.133, Florida Statutes.
- A requirement that bidders must submit certification from the Florida Secretary of State verifying the respondent's corporate status and good standing. Out-of-state corporations must provide evidence of authority to conduct business in the State of Florida.
- The format in which the bid is to be submitted and information to be included with the bidder's response.
- A notice that contract award is subject to applicable provisions of federal, state and

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local laws, regulations and District policy prohibiting discrimination on the basis of race, color, creed, national origin, handicap, age or sex.

- The name, address and telephone number of the Contract Specialist, to whom questions and correspondence relating to the RFB must be addressed.
- A statement that all technical questions regarding the RFB must be directed to the Contract Specialist, in writing, and that no other District staff may be contacted to discuss matters relating to the RFB during the solicitation and evaluation process.

**Bid Response Time.** The bid response time is the period of time between the date of public advertisement of the RFB and the time and date set for receipt of bids. The standard RFB response time is thirty (30) calendar days. In exceptional cases, Procurement may establish a shorter period subject to adequate documentation supporting the need for a reduced response time. Procurement may also establish a longer period for complex design or construction projects.

To avoid unduly restricting competition or paying higher than necessary prices, consideration shall be given to the following factors in establishing a reasonable response time:

- Degree of urgency.
- Complexity of the requirement.
- Anticipated extent of subcontracting.
- Whether pre-solicitation notices were used to increase awareness of upcoming solicitations.
- Geographic distribution of prospective respondents.
- Normal transmittal time for mailing and receipt of solicitations by the public.

**Submission of Bids.** The RFB shall provide a form on which the bidder shall insert the bid price and shall sign and submit to the District along with all other necessary documentation.

Bids shall be typewritten or written legibly in ink. Erasures or alterations shall be initialed by the signer in ink. All bids shall be signed in ink. The bid invitation also shall require that the bid be submitted in a sealed envelope, addressed as required in the bid documents, on or before the time and at the place designated in the bid documents.

**Bid Samples and Descriptive Literature.** The RFB shall state that bid samples and descriptive literature should not be submitted unless expressly requested and that, regardless of any attempt by a bidder to condition the bid, unsolicited bid samples or descriptive literature that are submitted at the bidder's risk will not be examined or tested and will not be deemed to vary any of the provisions of the RFB.

### **4-4 Request for Proposals**

The Request for Proposals (RFP) is used to initiate all competitive sealed proposal procurements. For those RFPs that are subject to the Consultant's Competitive Negotiation Act, Section 287.055, Florida Statutes (CCNA RFP), the solicitation will contain additional language specific to the requirements of the statute. The RFP shall include, but not be limited to, the following items. Notation is made for those items specific to CCNA RFPs.

- Statement of Work, performance requirements, deliverable dates, timeframes within which the work must be completed and any special instructions.
- Specific evaluation criteria (relating to a standard RFP or CCNA RFP, as applicable) and the relative weight of each criterion or category of criteria that will be used to evaluate the proposals, the selection process and the form of contract.
- Proposal submission requirements including the time and date after which proposals will be not be accepted; time, date and location of any pre-proposal conferences and whether such conferences are mandatory;

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and the address/location of where proposals are to be submitted.

- Where it is anticipated that a contract will extend beyond one (1) year, the following information must be included in the solicitation:
  - Statement of intent to award a multi-year contract and an estimate of the quantity of services required for the proposed contract period.
  - Statement that the multi-year contract is subject to modification or cancellation if the Governing Board does not appropriate adequate funds to support continuation of performance in any fiscal year succeeding the first.
  - Procurement will notify the contractor as soon as is practicable in the event that the funds are not available for the entire period of performance or for a designated portion of the contract period.
  - Statement that the multi-year contract is subject to modification or cancellation if the contractor's performance is not satisfactory.
- A sample contract as well as general and special terms and conditions, if applicable.
- A provision that prospective respondents must provide specific and clear identification of those portions of their proposals that they deem to be confidential and must cite the specific statutory exemption from public record requirements pursuant to Section 119.07, Florida Statutes.
- A notice of the prospective respondent's rights to protest, in writing, any provisions of the contract documents within 72 hours of receipt of RFP.
- A notice of the respondent's rights to protest the District's intended decision to enter into

negotiations within 72 hours of official posting.

- A notice that proposals may be withdrawn either in writing or in person through an authorized representative at any time prior to the submission deadline. Responses, once opened, may not be withdrawn or modified except to the extent agreed to by the District during subsequent contract negotiations.
- A notice that proposals, once received, become the property of the District and will not be returned to respondents even when they are withdrawn from consideration.
- A notice that proposals will be made available for public inspection at the time the District posts notice of its decision or intended decision concerning contract award or ten (10) days after the submission deadline, whichever is earlier.
- A notice that the District shall not be liable for any expenses incurred in connection with the preparation, submission or presentation of a proposal.
- A requirement for acknowledgment of any addenda to the solicitation.
- A requirement that respondents must submit certification from the Florida Secretary of State verifying the respondent's corporate status and good standing. Out-of-state corporations must provide evidence of authority to conduct business in the State of Florida.
- A notice that respondents must identify any changes or deviations to the sample contract for consideration by the District at the time of submitting a proposal or otherwise waive the right to negotiate changes to the terms/conditions of the contract.
- A notice that respondents who will not be submitting a proposal should return a 'No Response' form or risk being dropped from

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the District's database for noticing of future solicitations.

- A notice that the District reserves the right to reject any and all responses when such rejection is in the District's best interest.
- A notice regarding public entity crimes and compliance with the mandates of Section 287.133, Florida Statutes.
- For CCNA RFPs, a notice that the RFP is issued in accordance with the legal requirements established under the Act, Section 287.055, Florida Statutes and District Rule # 7.10020.
- If applicable, a request for a description of the contractor's and subcontractors' experience levels for the work being considered, including references.
- If applicable, a request for a description of staff capability along with the resumes of key individuals who will perform work on the contract.
- If applicable (non-CCNA), a request for a cost breakdown of the proposed price.
- A statement that the District, at its discretion, may require oral presentations after completing the initial rankings of the written proposals. For CCNA RFPs, a statement that discussions (oral presentations) are required before completion of the evaluation process.
- If applicable, a provision on the submission and consideration of multiple or alternate proposals.
- A statement establishing minimum insurance requirements if a respondent is awarded a contract.
- A statement regarding M/WBE requirements, including the participation plan and utilization forms.
- The format in which the proposal is to be submitted and information to be included with the respondent's proposal.
- A notice that contract award is subject to applicable provisions of federal, state and local laws, regulations and District policy prohibiting discrimination on the basis of race, color, creed, national origin, handicap, age or sex.
- The name, address and telephone number of the Contract Specialist, to whom questions and correspondence relating to the RFP must be addressed.
- A statement that all technical questions regarding the RFP must be directed to the Contract Specialist, in writing, and that no other District staff may be contacted to discuss matters relating to the RFP during the solicitation and evaluation process.

**Proposal Response Time.** Proposal preparation time shall be set to provide prospective respondents adequate time to prepare proposals. The standard RFP response time is thirty (30) calendar days. In exceptional cases, Procurement may establish a shorter period subject to adequate documentation supporting the need for a reduced response time. Procurement may also establish a longer period for complex design or construction projects.

To avoid unduly restricting competition or paying higher than necessary prices, consideration shall be given to the following factors in establishing a reasonable response time:

- Degree of urgency.
- Complexity of the requirement.
- Anticipated extent of subcontracting.
- Whether pre-solicitation notices were used to increase awareness of upcoming solicitations.
- Geographic distribution of prospective respondents.
- Normal transmittal time for mailing and receipt of solicitations by the public.



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Submission of Proposals. The RFP shall require that proposals be submitted in a sealed envelope, with separate sealed envelopes for the technical proposal and cost proposal. The M/WBE utilization plan must be submitted as a separate, detachable section with the technical proposal. The proposals must be addressed as required in the solicitation document and submitted to the District on or before the time and at the place designated in the RFP.

#### **4-5 Appointment of the Selection Committee**

Planning the evaluation process is a critical part of negotiated procurements. It sets the stage for the eventual proposal evaluation by defining the parameters within which the evaluation will take place. In planning the evaluation process, the Project Manager, in conjunction with Procurement, determines how proposals will be evaluated, what criteria will be used to evaluate the proposals, the relative importance of each criterion and how the evaluation will be documented.

Designation and Role of the Chairperson. A Procurement representative (Contract Specialist or Contract Manager) will serve as Chairperson of the Selection Committee (Committee). The Chairperson will be a non-voting member of the Committee and will be available in an advisory capacity, with responsibility to ensure that standard operating procedures are implemented.

The Chairperson will provide standard written instructions to committee members, with clear definition of roles and responsibilities. In conjunction with the Project Manager and a representative from the Equity in Contracting Office, the Chairperson will be responsible for discussing all aspects of the District's solicitation and evaluation process in publicly noticed pre-proposal conferences.

The Chairperson also will be the lead participant in conducting mandatory kick-off meetings with all Committee members at the time of proposal receipt and distribution. Other participants will

include the Project Manager and a representative from Office of Counsel.

In coordination with the Project Manager, the Chairperson will schedule all publicly noticed selection committee meetings, coordinate the advertising requirements and solicitation timelines and determine the final evaluation criteria with appropriate weighting. The Procurement Contract File Checklist (Exhibit 1) provides a general overview of the steps necessary in the RFP process after acceptance by the Governing Board of the Procurement Strategy for the project.

Appointment of the Selection Committee. The Chairperson will appoint the Committee members for the evaluation process. The Committee is responsible for evaluating and scoring proposals based on established criteria set forth in the RFP. The Chairperson is responsible for consolidating the selection committee's scores and ranking the respondents. The final ranking of proposals will result in the District's recommendation for award or intended award based on the best combination of quality and price.

At the start of each fiscal year, Procurement will meet with each Division and/or Department management levels to prepare a list of qualified District technical staff (minimum of 10 to 20 individuals) with appropriate skill levels for evaluation of the projects planned for that fiscal year.

Procurement will select the most common areas of expertise from the Integrated Contract Management System ("ICMS") database for discussion with the Division and/or Department management levels. Members of the Committee must possess the expertise required to perform an independent appraisal of the proposals and be free from bias or a potential or actual conflicts of interest.

From these discussions, Procurement will create a database of qualified individuals and areas of expertise, which will be comprised of District staff from multiple Departments and Divisions.

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This database will be available to all Contract Specialists within the Procurement Department for their use in developing the appropriate list of selection committee members for each project requiring a formal evaluation process (RFP).

The database will include descriptions for each individual, including position titles, areas of expertise and previous committee membership for recent projects of a similar nature within the past year.

The Chairperson, in preparing the list of selection committee members for each project, will ensure that the individuals selected neither supervise nor directly report to any other member of the Committee in the normal course of District business.

If the Department or Division levels determine that the selection committee must also include members from outside agencies, the Project Manager will forward to the Chairperson the list of appropriate individuals and will include information pertaining to their position titles and areas of expertise. These individuals must satisfy criteria for outside agency participation (see below) and must be recommended by the Procurement Strategy team for that project.

The final list of Committee members for each project will be reviewed/approved by the respective Contract Managers prior to notifying each Committee member and the Project Manager of their selection by the Chairperson.

#### Criteria for Establishment of Selection Committee Members.

The Chairperson will select the members of the Committee from the pool of qualified individuals based on the following guidelines:

- Committee must be comprised of members with the expertise required to evaluate all technical aspects of the project.
- Consideration should be given to include individuals of diverse backgrounds

(race/gender) to ensure that the Committee is balanced.

- Members of a Committee must be rotated to include individuals who have not recently served on a panel for the same or similar project within the past year.
- Individuals selected shall not supervise nor directly report to any other member of the Committee.
- One (1) member must be chosen from a Service Center or Field Station if the work will be performed in that location.
- Two (2) alternates must be selected for each Committee in the event that a member is not able to participate because of scheduling conflicts prior to the General Committee meeting and/or specific conflicts of interest become evident after the respondent firms are identified at the kick-off meeting.

In the event that a member is not able to participate after receipt of the proposals and/or specific conflicts of interest arise after the initial review of the proposals (and a determination is made that the member may not participate on the panel after discussions with the Chairperson and the Office of Counsel), one or more of the alternates will be notified by the Chairperson to participate as part of the Committee to allow time for review of the proposals by the alternate member(s) before the General Committee meeting.

Unless instructed to review the proposals by the Chairperson at the time of the kick-off meeting or during the written proposal evaluation period, the alternates will not be required to participate as a member of the selection committee nor to review the proposals received after the date of the kick-off meeting.

- For projects thresholds of \$300,000 or less, the Committee must include a minimum of three (3) members, with alternates.

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- For project thresholds over \$300,000, the Committee must include a minimum of five (5) members, with alternates.
- For high-profile procurements (including solicitations subject to CCNA procedures), the Committee must include one (1) staff member at a senior management level within the Division of the initiating Department.
- For solicitations in which a high volume of responses are anticipated (more than 15 proposals), a separate three (3) member panel must be selected from the pool to pre-screen proposals based on pre-established qualification criteria to provide possible elimination prior to distribution to the full Committee for evaluation.
- Committee may include individuals from outside agencies as proposed by the Procurement Strategy team and approved by the Governing Board (recommended individuals must meet the criteria for outside agency participation).

### Criteria for Outside Agency Participation on the Selection Committee

District staff may require the assistance of one or more outside agency participants in the evaluation of proposals or as technical advisors for technically complex procurements, particularly in cases where necessary technical expertise is lacking at the District. The recommendation for outside agency participation must be part of the Procurement Strategy for the project and must be approved by the Governing Board.

As with District staff, outside agency participants must be familiar with the technical aspects of the procurement and must possess the expertise required to perform an independent and realistic appraisal of the technical proposals.

Each participant must also be free from bias or any potential or actual conflicts of interest. Agency participants will sign and date an

‘Acknowledgment’ form at the beginning of the evaluation process, which outlines the District’s Code of Ethics, Public Records and Sunshine Law requirements as well as the ‘Attestation’ form at the end of the last committee meeting certifying that there was no conflict of interest in any of the firms that submitted proposals.

The District must ensure that the individuals serving on the District’s Committee are not employed by or otherwise have any business relationship with any of the respondents to a particular solicitation.

The District shall notify potential committee members that participation in the evaluation of proposals for design contracts may preclude them from submitting responses to a solicitation resulting from the design contract.

Role of the Project Manager. The Project Manager may or may not participate in the evaluation of the proposals. The Procurement Strategy team must propose, for each project, a rationale supporting the need for the participation of the Project Manager as a voting member of the selection committee. This rationale will be included in the Procurement Strategy that is forwarded to the Governing Board for their review prior to release of the solicitation.

The Chairperson will consider the comments provided by the Governing Board members regarding the role of the Project Manager for the project. Depending on the Governing Board’s review of the Procurement Strategy, the Project Manager will serve in one of the following capacities:

### Project Manager as Technical Advisor to the Committee

- Non-voting member of panel.
- Provides detailed briefing of District project objectives at mandatory kick-off meeting where proposals and instruction packages are distributed to selection panel members for evaluation.

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- Available to answer factual technical questions of selection committee members during evaluation process.
- Attends all publicly noticed selection committee meetings but may not participate in the general discussion of the merits of each proposal.
- Develops, in coordination with the Chairperson, a summary write-up of the panel's final decision (strengths and weaknesses of each proposal) after the last committee meeting.
- Participates with the Chairperson in all debriefings with unsuccessful firms.

#### Project Manager as a Member of the Selection Committee

- Voting member of panel.
- Signs and dates an 'Acknowledgment' form at the beginning of the evaluation process, which outlines the District's Code of Ethics, Public Records and Sunshine Law.
- Provides detailed briefing of District project objectives to the selection committee at the mandatory kick-off meeting where proposals and instruction packages are distributed to panel members for evaluation.
- Reports all possible conflicts of interest (personal and/or business) to the Chairperson prior to the review of the proposals. Chairperson will coordinate with Office of Counsel for final determination.
- Independently scores technical proposals and cost proposals (rating method to be determined by the Procurement Strategy team) and forwards score sheet to Chairperson within designated timeframe.
- As a committee member, may not discuss any aspect of the proposals (procedural or technical) with other committee members

during the evaluation process (Sunshine Law).

- Attends all publicly noticed selection committee meetings (required attendance throughout evaluation process) and participates in the general discussion of the merits of each proposal.
- Following the general discussion of the written proposals at the selection committee meeting, may not change initial scores unless new information is presented. All changes must be supported by written justification.
- Independently adjusts scores after oral presentations (if applicable) with written justification for each change to the initial scoring of the written proposals.
- Signs an 'Attestation' form for each solicitation at the end of the last committee meeting certifying that there was no conflict of interest in any of the firms that submitted proposals.
- Develops, in coordination with the Chairperson, a summary write-up of the panel's final decision (strengths and weaknesses of each proposal) after the last committee meeting.
- Participates with the Chairperson in all debriefings with unsuccessful firms.

#### **4-6 Development of Evaluation Criteria**

General Considerations. The solicitation must be structured to communicate effectively to potential respondents the following:

- District requirements and project objectives.
- Information needed to evaluate the proposal.
- Methods by which the District will select the best value proposal.
- Evaluation factors and their relative importance.

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By clearly delineating these factors in the solicitation, potential respondents will understand the basis upon which their proposals will be evaluated and how they can best prepare their proposals.

The criteria that will be used in evaluating proposals should be tailored to each RFP and should include only those factors that will be relevant to the selection of a contractor.

The selection of evaluation criteria should balance technical, functional and economic considerations with the procurement objectives. Specific criteria communicate to the contractor the basis for selection. The District must also specify the standards it will use to determine whether the criteria were met.

The areas of consideration will vary according to the services or product sought, but will generally include technical, management, quality control systems and procedures, personnel qualifications, experience and availability, scheduling compliance, current and projected workloads, references, minority participation and cost.

Assessment criteria relate to the respondent's proposal and abilities. Assessment criteria include such areas as past performance, soundness of technical approach or methodology and understanding of the requirement.

Criteria may also be applied to reflect statutory requirements, District policies or other Governing Board directives. Statutory examples include specific scoring categories for 'Location' considerations and 'Project Schedule' in all CCNA RFPs. Governing Board direction has been provided to include a separate scoring category for 'Previous District Work' in all solicitations and a separate category for 'Location' considerations in non-CCNA solicitations if the work is site specific and will be performed outside of Palm Beach County.

Standards and guidelines for the scoring of 'Location' and 'Previous District Work' are

included in Chapter 5 of this Manual and in Exhibit 5.

Project specific considerations may also be essential in developing the criteria. Examples of these may include the precision/accuracy and capabilities of a proposed software model or facilities and equipment available for research analyses.

The following criteria (pursuant to the District's Contracting Rule, 40E-7.206(2), F.A.C.) shall be included, at a minimum, in each RFP released by the District:

- The ability of the firm's personnel.
- Past performance.
- Willingness to meet time and budget requirements.
- Location of the firm in relation to the project.
- Recent, current and projected workloads of the firm.
- Volume of work previously awarded to the firm(s) by the District, with the purpose of equitable distribution of contracts among qualified firms, provided that the distribution shall not violate the principle of selection of the most highly qualified firm.
- Minority business enterprise status of the firm.

Technical evaluation factors must be independent of each other to avoid redundancy, which may skew the scoring results. The Project Manager and Contract Specialist must attempt to include all appropriate factors that are critical to the project requirements without including too many criteria which may result in the selection committee unnecessarily reviewing information not critical to the evaluation.

Weighting the Evaluation Criteria. The Project Manager in conjunction with the Contract Specialist shall determine the evaluation criteria to be applied to a particular RFP. Once the evaluation criteria have been selected, some measure of their relative importance must be

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understood by both the selection committee members and potential respondents to the RFP.

The Project Manager and Contract Specialist will assign the total number of points available for each category within the maximum 100 scoring points for the project as well as the specific weights that will be applied to each of the factors being evaluated by category. Numerical scores will be accompanied by the standards/descriptive guidelines applicable to the rating level (i.e., excellent, good, satisfactory, marginal or unsatisfactory). Narrative statements will be used in conjunction with the rating system to indicate the strengths, weaknesses and risks associated with each proposal.

Cost will be included in the evaluation criteria as a weighted factor. The relative importance of cost factors to the technical criteria will be determined by the Procurement Strategy Team during the planning process and will be reviewed by the Governing Board prior to release of the RFP. Guidelines are provided below regarding the development of the proposal rating method.

#### **4-7 Evaluation Standards**

##### **Best Value Procurements**

Evaluation standards are guidelines to help selection committee members measure how well each respondent has addressed the evaluation factors/subfactors identified in the solicitation. Standards permit the evaluation of proposals against a uniform objective baseline rather than against each other, thereby promoting consistency in the evaluation process. The use of evaluation standards minimizes bias that can result from an initial direct comparison of proposals.

In all standard negotiated procurements, the District selects and weights the evaluation criteria to reflect their relative importance. As the evaluation factors are developed and weighted, a standard (description) is also defined that specifies a target performance level for each of the evaluation factors, consistent

with the solicitation. Definitions are established for higher or lower ratings compared to the standard “target” for non-cost evaluation factors.

Overly general standards should be avoided as they obscure the differences between proposals. A standard should be worded such that the mere inclusion of a topic in a proposal will not result in a determination that the proposal meets the standard. Rating systems may use a scale of words, numbers or other indicators to denote the degree to which proposals meet the standards for non-cost evaluation factors. The key is not the method or combination of methods used, but rather the consistency with which the selected method is applied to all competing proposals and the adequacy of the narrative supporting the rating.

The narrative is used in conjunction with the rating system to indicate a proposal’s strengths, weaknesses and risks. A narrative is required whenever evaluation standards are used in rating the proposals, when a comparison of proposals is being made and/or when a cost to technical ‘tradeoff’ (best value) is conducted.

The narrative descriptions developed by each selection committee member will be used as the basis for the summary evaluation report prepared by the Project Manager and Chairperson at the conclusion of the Committee’s deliberations. The information will assist the Project Manager and Chairperson in developing a pre-negotiation strategy with the top-ranked firm and will be used as the basis for the debriefing of unsuccessful firms (refer to Chapter 5 of this Manual).

Sample evaluation matrices (Exhibit 3) and evaluation scoring matrix (Exhibit 4) with guidelines and standards for rating the technical merit and qualification components (non-cost evaluation factors) (Exhibits 5 and 6) are included as attachments to the Manual for both an RFP and CCNA RFP.

**Evaluation of Price.** While the criteria should be tailored to each solicited procurement, cost or price must always be included as an evaluation

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factor in the District's standard (non-CCNA) RFP process.

"Best Value" to the District involves a review of project requirements to determine the most important elements in making the source selection decision. The Procurement Strategy team must have flexibility to select the best value that may not be the lowest price or the highest technically rated respondent. The decision will involve a comparison of the combination of non-cost strengths, weaknesses and risks as well as cost/price factors and equity in contracting considerations offered in each proposal. The best combination of factors will result in an award to the firm that is most advantageous to the District.

The following methods provide guidance as to the selection of the most appropriate means of evaluating price/cost factors relative to the non-cost evaluation factors in the standard RFP process.

*(a) Quantitative Price Scoring is the preferred method for use at the District.* Price is included as a weighted factor in the evaluation criteria set forth in the solicitation (total point score of 100). Cost proposals are submitted in separate sealed envelopes at the time of proposal submission but are not distributed to the selection committee members at the kick-off meeting.

The cost proposals will be opened and evaluated by the Chairperson after receipt of the score sheets (following evaluation of the technical and qualification factors based on a pre-determined uniform approach) from each selection committee member for tabulation prior to the general committee meeting. The Chairperson will input the price score for each proposal in accordance with the following methodology:

- The respondent submitting the lowest price proposal (e.g., firm "A") shall receive the maximum score of "x" points designated in the solicitation for the cost/price factor.
- The price score of each additional respondent shall be calculated in relation to

the price of the low respondent based on the formula below.

$$\frac{\text{Firm A's Price} \times \text{Max Points}}{\text{Firm B's Price}} = \text{Price Score of } \_ \text{ Firm B}$$

- The price score of each respondent shall be calculated in this manner and added to the respective technical and qualification score for each proposal.

The application of the above formula will result in a uniform assignment of points relative to the criterion of price. Examples of District evaluated solicitations for which quantitative price scoring may be appropriate include desktop studies, data collection projects and procurement of off-the-shelf software programs.

*(b) Qualitative Cost Scoring.* Financial aspects are included as a weighted factor in the evaluation criteria set forth in the solicitation (within the maximum point score of 100 points) and are divided into two sections: (1) cost effectiveness (cost breakdown) and (2) overall price. Cost proposals are submitted in separate sealed envelopes at the time of proposal submission but are not distributed to the selection committee members until completion of the initial scoring process.

The selection committee members will evaluate cost proposals only for cost effectiveness (based on pre-determined standards) after completion of the technical/qualification scoring for each proposal (based on uniform evaluation standards). The Chairperson will release the cost proposal to each committee member after receipt of the individual score sheets. The Chairperson will score the overall price (cost reasonableness) and will input the price score for each proposal in accordance with the following methodology:

- The respondent submitting the lowest price proposal (e.g., firm "A") shall receive the maximum score of "x" points designated in the solicitation for the cost/price factor.

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- The price score of each additional respondent shall be calculated in relation to the price of the low respondent based on the formula below.

$$\frac{\text{Firm A's Price} \times \text{Max Points}}{\text{Firm B's Price}} = \text{Price Score of Firm B}$$

- The price score of each respondent shall be calculated in this manner. The scores for the two cost elements will be added to the respective technical and qualification scores for each proposal.

Examples of District evaluated solicitations for which qualitative cost scoring may be appropriate include computer modeling, research, flow monitoring, ASR projects and software development programs.

The evaluation of cost/price factors as outlined above do not apply to the following:

- Negotiated procurements subject to the Consultants' Competitive Negotiation Act (CCNA). Proposals are evaluated on the basis of technical merits only (refer to Chapter 3-8, *Selection of Appropriate Solicitation Method*).
- Two-Step Sealed Bids (refer to Chapter 3-8, *Selection of Appropriate Solicitation Method*).
- Design-Build Contracts (refer to Chapter 3-8, *Selection of Appropriate Solicitation Method* and Chapter 6-4, *Design Build Contracting Process*).
- Construction Management at Risk Contracts (refer to Chapter 3-8, *Selection of Appropriate Solicitation Method* and Chapter 6-6, *Construction Management at Risk Contracting Process*).

### 4-8 Public Notice of Solicitation

General. The goal of the District's outreach effort is to attract competitive responses from as many qualified respondents as possible. The

larger the number of contractors aware of a procurement, the more likely it is that the District will receive a greater number of bids or high quality proposals. The manner in which bids or proposals are to be submitted, including any forms for that purpose, shall be designated as a part of the solicitation document.

Publication. All formal District procurement requirements (over \$50,000) will be publicly announced by Procurement in a newspaper of general circulation for both Palm Beach County and the county in which the work will be performed if outside of Palm Beach County. Advertisement of formal District procurements will occur on the solicitation release date or within two (2) calendar days of the release date.

If the work will be performed in Miami-Dade County, public notices also will be placed in newspapers of general circulation in both Spanish and English, including minority newspapers. Every effort shall be made to publish notice in a manner that will encourage responses from minority and women's business enterprises.

To accommodate the marketing/outreach plan that is developed as part of the Procurement strategy process, public announcement may also be placed in professional publications, industry and association newsletters, magazines or other periodicals. Other business opportunities may include the monthly Business Day seminars held at District headquarters and targeted workshops in the counties most affected by the procurement.

Content. All formal advertisements for District solicitations must contain the following:

- Identification of the solicitation type and District contract number.
- Title and brief description of the goods, services or construction to be procured.
- Information on how the solicitation documents may be obtained.



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- Date, time by which, and the place where, bids or proposals shall be submitted.
- Information on the status of the solicitation via the District's web site.
- Notice of any pre-bid or pre-proposal conferences and whether the conferences are mandatory or optional.
- RFP: Notice of official public meetings, including dates, times and meeting places. The official public meetings include the following:
  - General Committee Meeting and Alternate Date (scheduled within 2-4 days of meeting date).
  - Oral Discussions and Alternate Date (scheduled within 7-10 days of meeting date).

Bidder's Lists and Distribution. Lists of sources and/or suppliers interested in receiving notice of the District's solicitations are continuously updated and maintained on the District's LGFS vendor database and are classified by standard categories of types of goods, services and construction.

Solicitation documents shall be mailed directly or otherwise furnished to the initial list of sources and/or suppliers forwarded to Procurement by the Project Manager. Notices of the availability of solicitations shall be mailed to all sources obtained via the District's vendor database based on the appropriate service/supplier codes of businesses registered with the District.

Information on the availability of the solicitation may also be obtained via the District's web site, whereby interested parties may download the solicitation and register with the District for future requests. For RFB plans and drawings, the District requires potential respondents to pay a reasonable fee.

Businesses that fail to respond to solicitations or notices of the availability of procurement opportunities on three (3) consecutive invitations within one standard category may be removed by Procurement from the applicable service or supplier code in the District's vendor database after notice to the company. Application for a reinstatement shall be the responsibility of the company. A "No Bid/Response" statement that is returned to Procurement shall be considered a response.

The inclusion or exclusion of a company in the District's vendor database does not indicate that the business is responsible with respect to a particular procurement or is otherwise capable of successfully performing the District contract.

Procurement will maintain a log ("Bidder's List") of all transactions regarding the distribution of the solicitation, including direct mailings, mailings forwarded upon request, walk-ins, pre-bid or pre-proposal conferences and/or web site downloads.

This log will include the company's name, contact person, address, telephone number, fax number, date of distribution of the solicitation and date of distribution of subsequent addenda, if applicable. The log shall be maintained in the file documentation relating to the contract award.

#### **4-9 Pre-Submission Conferences and Site Visits**

Pre-bid or pre-proposal conferences and site visits are conducted by the District to further explain the procurement requirements and to provide potential respondents an opportunity to interact with District staff regarding questions, clarifications or ambiguities in the solicitation documents.

While pre-submission conferences or site visits are not required with each solicitation, they are recommended for any solicitation in which the work is highly complex or when an opportunity to discuss the solicitation or inspect the site might enhance the quality of the proposals. The

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District has the option to require mandatory attendance at the pre-submission conference or site visit.

**Scheduling.** Procurement is responsible for scheduling the pre-submission conference or site visit. Written notice of any conference shall be provided to all prospective respondents in the public advertisement of the solicitation and shall be included in bold print on the cover page of the solicitation document, with notation of the appropriate date(s), location(s) and timeframe(s).

Sufficient time should be allocated after the solicitation is issued to enable potential respondents to become familiar with the District requirements, but also provide adequate time before the submission date of the bids or proposals for potential respondents to incorporate the information gained from the conference or site visit into the preparation of their responses.

The District generally conducts pre-submission conferences two (2) weeks from the solicitation release date. If the pre-submission conference is mandatory, all potential respondents must attend the conference (and site visits, if mandatory as well) or be ineligible to submit a bid or proposal. If the District determines the need for a pre-submission conference or site visit that had not been anticipated when the solicitation was released, all potential respondents who received a copy of the solicitation must be informed through an addendum.

#### **Agenda of the Pre-Submission Conference.**

Procurement (Contract Specialist or Purchasing Agent) is responsible for preparing the agenda for the conference and coordinating the response to questions with the Project Manager prior to the scheduled conference or site visit. The Contract Specialist/Purchasing Agent shall act as moderator. District participants at the conference shall include the Contract Specialist, Project Manager and other technical staff as needed and a representative from the Equity in Contracting Office.

The moderator will require all attendees at the conference to sign-in before the conference begins and will introduce all District personnel participating in the conference once the conference begins.

**Roles and Responsibilities.** More details concerning the roles and responsibilities of each of these individuals is set forth as follows:

#### ***(a) Role of Procurement***

- Welcome remarks and introduction of participating District team members.
- General review of the sections of the solicitation document, with particular emphasis on the instructions for preparing proposals, the inquiry period, the individual (Contract Specialist) to whom all inquiries must be directed, the need for all technical inquiries to be in writing, the deadlines for bid or proposal submission and the required number of copies to be submitted.
- The Contract Specialist will review the procedures followed from solicitation to award for the particular solicitation method being utilized, whether an RFB, RFP, CCNA RFP, Two-Step Sealed Bidding, Design Build or Construction Management at Risk.
- Review of any special contractual language.
- Requirement to submit a "Statement of No Response" form by potential respondents, with general remarks regarding the reasons for non-submission of a proposal or bid.
- Location of official posting of results at District headquarters in West Palm Beach.
- Use of the District's web site and 24-hour bid hotline for list of those who attended conference and for solicitation results.

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### ***(b) Role of the Project Manager***

- General review of the Statement of Work and/or Specifications, with particular focus on those areas of most importance to the District.
- A review of this nature is especially helpful when the work is highly complex or site specific.

### ***(c) Role of Equity in Contracting***

- Review of general registration and certification requirements for minority or women-owned businesses.
- Review of the District's scoring for minority enterprise participation.
- Review of the District's minority enterprise participation plan and utilization forms.

Conducting the Pre-Submission Conference. It is good practice to encourage potential respondents to submit written questions (faxed to the Contract Specialist) prior to the conference. This provides an opportunity for the Project Manager to prepare meaningful responses to questions that may require additional research, discussion or internal review.

When technical questions have been submitted in advance, the Project Manager should respond to them without identifying the source of the question and in the order that follows the substance of the matter in the solicitation. Alternatively, the Project Manager may review each page of the solicitation sequentially to address questions previously submitted and/or raised at the conference.

Nothing stated at the pre-submission conference shall alter the contents of the solicitation unless a change is made by written amendment to the solicitation. This is important because responses at the conference or site visit may be incomplete or incorrect and will need to be researched and issued as part of an addendum.

Record Keeping/Addendum. The Project Manager or other technical staff will be responsible for maintaining a written record of the proceedings of the conference or site visit through the use of a audio tape recorder, videotape or notes taken by appropriate technical staff.

Following the conference, the Contract Specialist shall release a written addendum on a timely basis (within two days of the conference) to all participants at the conference and to all other potential respondents who requested a copy of the solicitation (for possible subcontracting opportunities).

The addendum shall detail all questions and answers addressed in the conference and/or received immediately following the conference and will include a list of all firms that attended the conference. The District's web site shall also include a list of all attendees at each pre-solicitation conference immediately following the conference/site visit. A summary of all materials relating to the conference and/or site visit shall be maintained in the contract file.

### **4-10 Issuance of Addenda to the Solicitation**

General. Prior to the submission date of an RFB or RFP, the District may need to revise portions of the solicitation documents. Changes may include revised submission requirements, revisions in the Statement of Work, correction of errors or omissions, clarifications of ambiguities, provision of additional information or answers to questions from potential respondents.

All changes, including those resulting from a pre-submission conference or site visit are addenda to the solicitation. An addendum is the only authorized and appropriate method for communicating information to potential respondents. Procurement is responsible for coordinating all information included in the addendum with the Project Manager, for preparing and for distributing addenda to all

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potential respondents who requested a copy of the initial solicitation.

Addenda become an integral part of the solicitation and must be considered by both the respondent when preparing a bid or proposal and by the selection committee when evaluating proposals submitted in response to an RFP.

All official information relating to a solicitation must be disseminated by means of a written addendum. Any telephone or face-to-face inquiries, which may give one potential respondent an advantage over another, must be carefully controlled.

*This includes information regarding the District's estimated budget amount for the project. Whether for an RFB or RFP, any question regarding the District's budgeted level must be disseminated by Procurement to all potential respondents via a written addendum and may include, if necessary, a total budget range for the project. An actual funding level shall be provided only for the current fiscal year of the project.*

**Format.** Each addendum must be identified in its title, dated and numbered sequentially, followed by the title of the RFP (e.g., Addendum #2 to Request for Proposal C-\_\_\_\_\_ for.....). As with all solicitation information, the addendum must be clear and concise.

When an addendum includes multiple additions or deletions to the solicitation, it should address each change in sequential order. The page, paragraph and lines affected within the solicitation must be stated, followed by the exact wording or a description of the changes. Items of special interest (e.g., postponement of the solicitation due date or the resolution of a controversial issue) must be highlighted on the first page of the addendum.

**Timing.** Addenda must be distributed so as to provide potential respondents sufficient time to submit a complete response. If too little time is allotted between the issuance of addenda and the solicitation due date, the number of responses are likely to be fewer than anticipated,

inadequately prepared or otherwise incomplete. When issuing an addendum at a time close to the solicitation due date, the Contract Specialist should consult with the Project Manager to consider extending the submission deadline.

*At least seven (7) calendar days (five days for ECP projects) must be allowed for release (mailing) and receipt by prospective respondents of any final addenda to the solicitation prior to the District's submission date. If necessary, Procurement may forward the addendum to all potential respondents via facsimile, overnight courier or, in the near future, through electronic mail. This is particularly important when substantive or critical information is being released.*

When there are extensive changes or additions to the solicitation, the Contract Specialist should consult with the Project Manager to consider canceling the solicitation and issuing a new one. This option must be considered when the revisions are so extensive as to create interest with new potential respondents who may now qualify in meeting the requirements of the solicitation.

**Inquiry Period.** To provide adequate time for all questions to be addressed by the Project Manager and distributed by Procurement to potential respondents to the solicitation, the District's inquiry period is established for a period of three (3) weeks from the release date of the solicitation (10 days before bid opening for construction bids), assuming a standard thirty (30) calendar day response period for both bids and proposals.

All technical inquiries must be in written form and addressed to Procurement (Contract Specialist) to ensure consistency of response and to preserve the fairness and objectivity of the process. The inquiry period is stated on the cover page of the solicitation. After this date, the District may respond only to telephone inquiries regarding minor administrative matters.

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**Acknowledgment of Receipt.** The District is obligated only to mail addenda within the stated timeframes before the due date of a solicitation. Once an addendum is mailed, it is presumed to have been received by the potential respondent. All solicitations at the District state that potential respondents should contact the District (Procurement) before the solicitation submission date to ascertain whether addenda have been issued.

In addition, all potential respondents must include receipt acknowledgment of each addendum by signing in the space designated on the form. All respondents to the solicitation must include this acknowledgment form in their response package to the District.

### **4-11 Receipt of Bids/Proposals**

**General.** All solicitations include instructions for the submission of responses, including marking and delivery guidelines. Responses must be submitted in sealed envelopes, with easy identification of the solicitation number, title, and respondent's name and address. The District will not accept or consider responses submitted via facsimile transmission and accepts no responsibility for responses that are not properly marked.

All solicitations require actual delivery of responses to the Procurement office, B-1 Building, District Headquarters. No other "delivery" location at District headquarters is acceptable. Upon receipt, all responses (and/or modifications to the responses) are time and date stamped, but not opened, and stored in a secure place until the time and date set for bid opening or receipt of proposals. The District may not disclose the identity of any responses received before the opening date for bids or the date scheduled for the receipt of proposals.

Section 119(3)(m), Florida Statutes, states that "sealed bids or proposals received by an agency pursuant to invitations to bid or requests for proposals are exempt from the provisions of subsection (1) and section 24(a), Article I of the State Constitution until such time as the agency

provides notice of a decision or intended decision pursuant to section 12.57(3)(a) or within 10 days after bid or proposal opening, whichever is earlier."

**Modifications/Withdrawals.** Respondents may submit one or more modifications to the bids or proposals submitted prior to the date of bid opening or receipt of proposals, which may replace all or any portion of a previous submittal. Only the latest version of a bid or proposal received prior to the date set for bid opening or receipt of proposals shall be considered. Respondents may withdraw their responses by notifying the District either in writing or in person prior to the date set for bid opening or receipt of proposals.

The identity of an individual requesting withdrawal must be established (must provide evidence of being an authorized representative of the company) and a receipt for the withdrawn response must be signed and maintained as part of the file record for those withdrawals that are made in person.

However, all responses, once received, become the property of the District and may not be returned to the respondent, even when they are withdrawn from consideration. If a bid is withdrawn prior to the bid opening date, the bid bond or guarantee, if any, shall be returned to the bidder.

Responses, once opened, may not be withdrawn or modified except for RFPs and only to the extent agreed to by the District during subsequent contract negotiations.

**Late Bids/Proposals, Late Withdrawals and Late Modifications.** Any bid or proposal received at the place designated in the solicitation after the time and date set for receipt is late and shall be deemed non-responsive unless lateness is attributable to documented faulty overnight delivery service or mishandling by the District after receipt at the prescribed District location.

The outside envelopes or packages shall be date and time stamped and shall be retained

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unopened by Procurement (unless opened for identification) and returned as soon as possible to the firm(s). Procurement will forward a letter to the firm(s) indicating that the response is late and shall not be considered and will return any bid bond or guarantee with the bid or proposal package.

Any request for withdrawal or modification of responses which is received after the time and date set for receipt of responses is late and shall not be considered. A record shall be retained in the contract file of each request for late acceptance of responses, for modifications and/or withdrawals.

Opening and Recording of Submissions. Upon receipt and opening of submissions, all responses become “public records” and shall be subject to public disclosure consistent with Chapter 119, Florida Statutes.

Respondents must cite the specific statutory authority for any claimed exemption to public disclosure, must identify the materials or data to be protected and must state the reasons for exclusion from public disclosure.

Pursuant to the Public Records statute (set forth above), all responses will be made available for public inspection at the time the District posts notice of its decision or intended decision regarding contract awards or ten (10) days after the response opening, whichever is earlier. Access to bid or proposal information within ten (10) calendar days from the submission deadline is not authorized.

**Bids:** Bids shall be opened, publicly, at the time, date and place designated in the RFB in the presence of one or more witnesses. The name of each bidder and the bid price shall be read aloud or otherwise made available. This information also shall be recorded at the time of bid opening.

Procurement shall examine the bids to determine the validity of any requests for nondisclosure of trade secrets or other proprietary information identified in writing and shall forward any such

requests together with the bid and materials to the Office of Counsel for review. Procurement shall communicate to the bidder, in writing, any decision not to honor a request for confidentiality.

Procurement shall prepare a bid tab that will be forwarded to the Project Manager, Equity in Contracting and Risk Management (Reviewers) for responsiveness and responsibility reviews. Details regarding the roles and responsibilities of the Reviewers are set forth in Chapter 5 of this Manual. The review period covers a period of approximately two (2) weeks.

The bid tab shall be reviewed by the Office of Counsel when there is a recommendation to award to either: (1) other than the lowest bidder (RFB) or highest ranked respondent (RFP); (2) when only one bid or proposal is submitted; or (3) when there has been a rejection of all bids or proposals.

**Proposals.** Proposals shall only be opened after the time and date set for submission of responses. Proposal packages shall be opened in the presence of two or more District employees. The names only of each of the respondents submitting proposals shall be recorded.

If there is a requirement for separately sealed envelopes for technical and cost proposals and the cost proposal is included in the initial submittal package, the cost proposal envelope shall also be date and time stamped. Procurement is responsible for locking and securing the sealed price envelope(s) until such time as the cost proposals are released, depending upon the method selected in the Procurement Strategy (planning stage).

Procurement shall prepare proposal packages for distribution at the ‘kick-off’ meeting that is scheduled within two (2) days of the proposal submission date. Details regarding the roles and responsibilities of the selection committee and the evaluation process are set forth in Chapter 5 of this Manual.



## **DRAFT CHAPTER 5 EVALUATION AND AWARD**

### **5-1 Principles**

The method of procurement determines the basis for awarding the contract. Use of Request for Bid procedures will result in a contract award based on price factors alone. Use of the Request for Proposal competitive process will result in an integrated assessment of each proposal, with contractor selection based on considerations other than price. In either case, the contractor must meet the requirements for responsiveness and responsibility.

### **5-2 Determination of Responsiveness General Standards - Bids/Proposals**

The District has the ability to determine, at the time of receipt of a bid or proposal, whether a prospective respondent has met the requirements of the solicitation document.

A *responsive* bid or proposal is defined (Section 287.012, Florida Statutes) as a bid or proposal submitted by a qualified respondent, which conforms in all material respects to the Request for Bid or Request for Proposal.

A deviation or variance from the solicitation is considered “material” if it:

- Affects the price, quality, time or manner of providing the product or performing the service, such that a waiver would deprive the District of an assurance that the contract will be entered into, performed and guaranteed according to the specified requirements.
- Provides an advantage or benefit to a prospective bidder or respondent, which is not enjoyed by other bidders or respondents.
- Otherwise undermines the necessary common standard of competition.

Examples of non-responsive bids include, but are not limited to, the following:

- Untimely submission of the bid (after acceptance date and time)

- Failure to meet the M/WBE goal
- No certificate of insurance or pre-qualification certificate, if required
- Failure to provide a bid bond
- Missing attachments required per solicitation instructions
- Unsigned bid
- Illegible bid
- Substitution of the vendor’s terms for those of the District

Examples of non-responsive proposals include, but are not limited to, the following:

- Untimely submission of the proposal (after acceptance date and time)
- Failure to provide an M/WBE Participation Plan (if applicable)
- Failure to meet minimum licensing requirements (if applicable)
- Failure to provide evidence of insurance coverage

### **5-3 Determination of Responsibility General Standards – Bids/Proposals**

A *responsible* bidder or respondent is defined (Section 287.012, Florida Statutes) as one who has the capability in all respects to perform fully the contract requirements and has the integrity and reliability to ensure good faith performance. A Procurement Contract File Checklist that delineates the roles of District staff members in performing responsibility reviews is set forth in Exhibit 1.

To be determined “responsible”, a prospective contractor must meet the following criteria:

- Adequate financial resources to perform the contract or the ability to obtain them.
- Ability to comply with the required or proposed delivery or performance schedule, with consideration of all existing commercial and governmental business commitments.
- Satisfactory performance record.



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- Satisfactory record of integrity and business ethics.
- Evidence of licensing in the service and/or product required.
- Necessary organization, experience, accounting and operational controls, technical skill requirements or the ability to obtain them (including, as appropriate, such elements of production control procedures, property management systems, quality assurance measures and safety programs applicable to materials to be produced or services to be performed by the prospective contractor or subcontractors).
- Necessary production, construction and technical equipment and facilities or ability to acquire them.
- Otherwise qualified and eligible to receive an award under applicable laws and regulations.

Before making a determination of responsibility, the District must obtain updated information on a prospective contractor's financial resources and performance capability. The following resources are available for this purpose:

Optional Pre-Award Inspection/Audit. A fact-finding inspection, if determined necessary by Procurement, in consultation with the Project Manager or evaluation team members (for RFPs), can be conducted to examine a prospective contractor's capability of performing the work, including a review of the contractor's facilities and the adequacy of the firm's accounting systems and controls for successful performance.

Participants in the pre-award inspection may include the Project Manager, a Procurement representative and a representative from the Inspector General's office. The extent of the pre-award survey and decision as to whether a pre-award audit may be warranted depends on several factors, including, but not limited to, the following:

- Equipment owned.
- Insurance and bonding capability.
- Amount of information that is already available (data on facilities, equipment and personnel pertinent to contract performance).
- Experience of the contractor.
- Review of the contractor's current and projected workload.
- Evidence of the contractor's safety record.
- Dollar value of the proposed contract.
- Criticality and complexity of the project.
- Subcontractor capabilities.

Review of Past Performance Records. Interim and/or final evaluations of contractor performance on previously awarded contracts within the past three (3) years will provide a good overview of relevant information for future source selection purposes.

Reference checks for current and past clients resulting from bid or proposal information, internal District staff and other verifiable records (publications, suppliers, subcontractors, financial institutions and other business entities) also create a good basis for determining the contractor's record of conforming to contract requirements, including M/WBE provisions, controlling costs, adhering to contract schedules and overall project management.

A prospective contractor that is or recently has been seriously deficient in contract performance shall be presumed to be non-responsible unless Procurement determines that the circumstances were properly beyond the contractor's reasonable control or that the contractor has taken appropriate corrective action.

Convicted Vendor List. The District has access to the list of persons or affiliates that have been placed on the convicted vendor list following a conviction for a public entity crime, in accordance with Section 287.133, Florida Statutes.

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Review of Financial Statements. Financial statements and other cost data submitted by the prospective contractor with the bid or proposal provide an overview of the contractor's financial stability.

Dun & Bradstreet. Reports may be obtained from Dun & Bradstreet (or equivalent) which will provide a further analysis of the contractor's business solvency.

Litigation History. A summary of the types of litigation involvements by the prospective contractor can provide some information regarding the company's record of integrity. Such information is included in the bid or proposal package.

### **5-4 Evaluation of Bids**

Overview. The preservation of the integrity of the competitive bid system dictates that, after bids have been opened, award must be made to that responsible bidder who submitted the lowest responsive bid, unless it is in the District's best interest to cancel the Request for Bids.

A bid shall not be evaluated for any requirement or criterion which is not disclosed in the RFB. Prompt payment discounts shall not be considered in the evaluation of bids, but may form part of the award or be offered on individual invoices. No discussions (negotiations) with respondents shall be conducted prior to bid award.

A detailed discussion of each step in the evaluation process is set forth below.

Confirmation of Bid. After bid opening, an otherwise low bidder shall not be permitted to delete exceptions to bid conditions or specifications which affect price or substantive obligations. However, when the District knows or has reason to conclude after bids have been publicly opened that a mistake has been made, Procurement shall request written verification of the bid.

Such bidder shall be permitted the opportunity to furnish information in support of the bid verification as long as it does not affect responsiveness, i.e., the bid substantially conforms to the requirements of the RFB as it relates to pricing, surety, insurance, specifications and any other matter unequivocally stated in the RFB as a determinant of responsiveness.

Correction or withdrawal of a bid after bid opening because of an inadvertent, non-judgmental mistake in the bid requires careful consideration by the District to protect the integrity of the competitive bidding system and to ensure fairness. If the mistake is attributable to an error in judgment, the bid may not be corrected. Bid correction by reason of a non-judgmental mistake is permissible, but only to the extent it is not contrary to the fair treatment of other bidders.

Mistakes in Bids. If the bidder alleges a mistake, an analysis must be done in conjunction with the Office of Counsel to determine whether or not the District can provide any type of relief to the bidder.

Generally, the District may allow a contractor to withdraw or correct its bid if the mistake is one of fact without penalty (i.e., the District asserting its rights under a bid bond). These types of mistakes are considered minor informalities and are matters of form, rather than substance, are evident from the bid document or are insignificant mistakes that can be waived or corrected without prejudice to other bidders (i.e., the affect on price, quantity, quality, delivery or contractual conditions is negligible). This category encompasses clerical errors and erroneous assumptions. Specific situations have included faulty addition, misreading of blueprints, transposition errors and improper multiplication.

In most circumstances, the District does not allow withdrawal of bids when the concept of "mistake" is based on mistakes in law, mistakes in personal judgment or wrongful assumptions of contract obligation. In such cases, the

## **DRAFT CHAPTER 5 EVALUATION AND AWARD**

District will enforce a penalty (i.e., assert a claim against the bid bond). An exception exists when a bidder is able to establish by clear and convincing evidence that an honest mistake has been made and not the result of a lack of due care and the bidder is willing to protect and preserve the public interest.

The contractor has been permitted to withdraw a bid upon providing written evidence of the following equitable factors:

- The bidder acted in good faith in submitting the bid.
- In preparing the bid, there was clearly an error of such magnitude that enforcement of the bid would cause severe hardship upon the bidder.
- The error was not a result of gross negligence or willful inattention.

In the case of mistakes in bids, Procurement shall document the contract file accordingly.

Responsiveness/Responsibility Review – Bids.  
The roles and responsibilities of District staff in making a determination of responsiveness and responsibility after bid opening are based on the standards established in Sections 5-2 and 5-3 of this Chapter, set forth as follows:

*(a) General.* A comprehensive review of the bids submitted in response to an RFB shall be conducted by the Project Manager, Procurement, Risk Management and Equity in Contracting (Reviewers) for “responsive” and “responsibility” determinations in accordance with the duties/procedures established below.

*(b) Project Manager Review.* The Project Manager shall be responsible for determining the acceptability of the following:

Responsibility:

- Professional qualifications (licenses).
- Specialized experience and technical competence requirements.
- Past performance records, including reference checks.

- Capacity of the firm or proposed team to perform the work and ability to meet project schedules and deliverable requirements.
- Available equipment, construction and/or facilities available or ability to obtain them.
- Knowledge of local conditions (site specific).

*(c) Procurement Review.* Procurement shall be responsible for determining the acceptability of the following:

Responsiveness:

- Timely submission of the bid.
- Evidence of attachments and/or forms required per solicitation instructions.
- Signed bid.
- Legible bid.
- Evidence that the firm is authorized to do business in the State of Florida.
- Terms and conditions (compliance with bid specifications and contractual terms).

Responsibility:

- Adequate financial resources to perform the contract or the ability to obtain them (review of financial statements, documentation from banker, creditors or other financial institutions).
- Review of convicted vendor list (satisfactory record of integrity and good business ethics).
- Compliance with applicable laws and regulations (firm is otherwise qualified and eligible to receive an award).

*(d) Risk Management Review.* Risk Management shall be responsible for determining the acceptability of the following:

Responsiveness:

- Certificate of insurance or pre-qualification certificate, if required.
- Bid bond.

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### **Responsibility:**

- Evidence of required insurance levels, types of coverage and liability limits for the prime contractor/ subcontractors.
- Acceptability of performance and payment bond, if required.

*(e) Equity in Contracting Review.* Equity in Contracting shall be responsible for determining the acceptability of the following:

### **Responsiveness:**

- Evidence of 'Statement of Intent to Perform as an M/WBE Subcontractor'.
- Validation of M/WBE certification.

*(f) Procedures.* The Reviewers will begin the process by analyzing the lowest three (3) bid submissions. In the event that one or more of the three bids are found to be non-responsive or non-responsible, a review will be conducted of the next lowest bidder.

If all bids that are included in the initial group of three (3) are found unacceptable for any reason, the next lowest group of three bidders will be examined by the Reviewers, if one or more bidders still exist. This process will be repeated as long as there is a competitive pool of respondents.

*(g) Secondary Review.* Procurement has primary responsibility for ensuring that each of the Reviewers completes the procedures properly. After receiving the documentation from each of the Reviewers, Procurement will conduct a secondary review to identify any potential errors or omissions in the review process.

The checklist included in Exhibit 1 will be utilized by Procurement to satisfy this requirement.

**Equal Low Bids.** Low tie bids are low responsive bids from responsible bidders that are identical in price, meeting all the requirements and criteria set forth in the RFB. In the case of low tie bids, Procurement shall break the tie in the following order of priority, in

accordance with the District's Contracting Rule, Rule 40E-7.201, F.A.C.:

- A university within the State of Florida University System, pursuant to 1992, Fl. Laws Ch. 92-288;
- A business that has implemented a drug-free workplace program pursuant to Section 287.087, Fl. Stat.; and
- An entity chosen by random selection.

A written record shall be made of tie bids received and the method used to break the tie. Copies of the record shall be retained in the contract file.

**Single Bid.** When a single bid has been received in response to an RFB, a respondent may be selected only after Procurement has determined the following:

- A sufficient number of other potentially responsive bidders have had a reasonable opportunity to bid.
- The reasons why, after inquiries by Procurement and the Project Manager, other respondents chose not to bid (especially important to survey minority and small businesses).
- The bid submitted meets minimum requirements of the RFB.
- The price is fair and reasonable (see below).
- Resolicitation is not in the best interest of the District.

**Price Analysis.** In general, adequate price competition is established if at least two responsible respondents submit bids that can satisfy the District's requirements, are independently submitted and are responsive to the solicitation instructions.

Adequate price competition is also considered to have occurred if the award is made to the lowest bidder or when only one offer is received, provided that the District had a reasonable

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expectation that two or more respondents would submit bids, that the single offer was submitted with the expectation of competition and price analysis supports the price obtained (further details are provided below).

To establish the District's position on what constitutes a fair and reasonable price for the procurement, proposed prices must be compared to such indicators of reasonableness as:

- Comparisons of current bids with the prices offered and paid in past procurements for the same or similar goods and services, with adjustments for such factors as inflation.
- Prices offered and currently being paid in other procurements (District or other governmental entities).
- Rough 'yardsticks' (e.g., dollars per pound).
- Published price lists, published market prices and price indices.
- Independent District estimates of cost and value.

'Fair and reasonable' to the District is obtaining the fair market value of the goods and services, i.e., the price that the District should expect to pay, given the prices of bona fide sales between informed buyers and informed sellers in competitive markets for deliverables of like type, quality and quantity, the total cost of which would have been incurred by a well managed, responsible firm.

'Fair and reasonable' to the contractor is a price that is realistic in terms of the contractor's ability to satisfy the terms and conditions of the contract.

An unrealistic price puts both parties at risk since the Contractor may "cut its losses" by cutting corners on product quality, delivering late, defaulting (forcing a time-consuming re-procurement), refusing to deal with the District in the future or being forced out of business. The determination shall be justified in writing and documentation shall be included in the contract file.

Selection of Other Than Lowest Bidder. If the District determines that the lowest bidder is either not responsible or not responsive, a written justification must be prepared and attached to the bid tab for separate review and approval by the Office of Counsel.

Notice of Intent to Award. Upon completion of the responsiveness and responsibility review and receipt of the approved bid tabulation form, Procurement will post the *Notice of Intent to Award* for a period of 72 hours. The official notice, as required by Florida Statute will be posted on the second floor of the "B1" Building location. The intended award decision will also be communicated via the District's XWeb and Procurement's Hotline.

Failure to file a protest within the time prescribed in Section 120.57(3), Florida Statutes and Chapter 28-110, F. A. C., or failure to post the bond or other security required by law within the time allowed for filing a bond shall constitute a waiver of proceedings under Chapter 120, Florida Statutes. If no protests are received within this timeframe, Procurement will proceed with the preparation of contract award. If a protest is received (refer to Chapter 9 for procedures) all contract activities will cease on this project until resolution of the protest issues.

Contract Preparation and Award. Award shall be made by mailing or otherwise furnishing a formal award document to the successful bidder. When more than one award results from any single request for bids, separate award documents shall be suitably numbered and executed.

All provisions of the Request for Bids, including any acceptable additions or changes made by a bidder in the bid, shall be clearly and accurately set forth (either expressly or by reference) in the award document. All insurance forms should clearly state the District as an additional insured for all applicable coverages. The award is the acceptance of the bid. The bid and the award constitute the contract.

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The final award document will be forwarded to the contractor for review and execution prior to Governing Board approval. Governing Board approval is required for all standard awards over \$50,000, over \$100,000 for construction contracts and over \$300,000 for ECP contracts. Upon full execution by the District, funds will be encumbered by the Contract Specialist for the current fiscal year.

Rejection of All Bids. Preservation of the integrity of the competitive bid system dictates that, after bids have been opened, award must be made to the responsible bidder who submitted the lowest responsive bid, unless it is in the District's best interest to reject all bids and cancel the invitation.

Every effort shall be made to anticipate changes in a requirement before the date of opening (including any postponement of the bid opening) and to notify all prospective bidders of any resulting modification or cancellation by release of a formal addendum to the RFB. This will enable bidders to change their bids and prevent unnecessary exposure of bid prices.

Should administrative difficulties be encountered after bid opening (e.g., bid protest) which may delay award beyond the bidders' acceptance periods, the several lowest bidders, whose bids have not expired (irrespective of the acceptance period stated in the RFB) should be requested by the Contract Specialist, before expiration of their bids, to extend in writing the bid acceptance period (with consent of sureties, if any) in order to avoid the need for resoliciting.

The RFB may be canceled and all bids rejected before award but after opening when it is in the District's best interest to do so. Examples include, but are not limited to, the following:

- Inadequate, erroneous or ambiguous specifications/Statement of Work were cited in the RFB.
- Specifications or Statement of Work need to be materially revised.

- The supplies or services being sought are no longer required.
- The RFB did not provide for consideration of all factors of cost to the District, e.g., cost of transporting District-furnished property to the bidder's facilities.
- The review of the bids received indicate that the needs of the District can be satisfied by a less expensive product or service differing from that for which the solicitation was issued.
- All otherwise acceptable bids received are at unreasonable prices and exceed the funds budgeted for the project.
- Only one bid is received and Procurement cannot determine the reasonableness of the bid price.
- The bids were not independently arrived at in open competition, were collusive or were submitted in bad faith.
- No responsive bid was received from a responsible bidder.
- A cost comparison shows that performance by the District is more economical.
- For other reasons, cancellation is clearly in the District's interest.

When it is determined necessary to reject all bids, Procurement will post the *Notice of Intent to Reject* for a period of 72 hours. The official Notice shall be posted in the Procurement Department in the same manner as a *Notice of Intent to Award*. All original bids shall be retained in the contract files (storage).

When bids are rejected or a solicitation is canceled after bids are received, the bids shall be retained in Procurement's contract file(s), but the bid bond, if any, shall be promptly returned and the file so documented.

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### 5-5 Evaluation of Proposals

Overview. Proposal evaluation involves an assessment of both the quality of the proposals and the ability of the respondents to fulfill the requirements of the RFP. The primary objective of the evaluation process is to select that source whose proposal has the highest degree of credibility and whose performance can be expected to best meet the needs of the District at a reasonable price. The District shall evaluate competitive proposals solely on the factors specified in the solicitation.

Contractor selection procedures are designed to:

- Maximize competition.
- Minimize the complexity of the evaluation process and the selection decision.
- Ensure impartial and comprehensive evaluation of all proposals that are responsive to the solicitation requirements.
- Ensure selection of the source whose proposal best meets the District requirements.

#### Pre-Evaluation Procedures.

*(a) Review for Completeness.* Upon receipt of all proposals at the time and date set for submission, Procurement (Contract Specialist and technician) will separate the copies for each respondent and will log the name of the business organization into ICMS.

The Contract Specialist will review each proposal package for responsiveness to determine whether it is complete and in conformity with the instructions and format provided in the RFP.

If applicable, the technical and cost proposals will be separated and the technical proposals only will be forwarded initially for Committee review. The Contract Specialist will separate the proposals and provide a complete set to each selection committee member at the kick-off meeting.

*(b) Kick-Off Meeting.* The kick-off meeting is not a publicly noticed meeting and is held within two (2) days of the deadline for proposal submissions. The purpose of the kick-off meeting is to provide guidance regarding the evaluation process and procedures to the selection committee members prior to their review of the proposals.

Except for unforeseen circumstances or emergencies, the kick-off meeting is mandatory for all selection committee members and is conducted by the Chairperson of the Committee, who is a representative of Procurement. District staff who will also address the Committee at the kick-off meeting include a representative from Office of Counsel and the Project Manager.

The Chairperson serves as a non-voting member of the Committee and will be available in an advisory capacity, with authority to make all procedural decisions throughout the evaluation process. The Chairperson will facilitate the exchange of information that may be necessary in the evaluation process. As a non-voting member of the Committee, any communication with the Chairperson is not subject to the Sunshine Law provisions.

Before beginning the evaluation process, the Chairperson will instruct the committee members regarding the importance of an independent evaluation without consultation with other committee members and will caution them regarding responses to any inquiries from interested respondents. Such unauthorized contact may serve to disqualify a respondent, or in extreme cases, may result in the termination of the procurement action. All Committee members are instructed to refer all such calls to the Chairperson.

The Chairperson will provide to each committee member a set of proposals, the RFP and any addenda along with the appropriate evaluation/instruction package (i.e., standard RFP or CCNA RFP), which includes the following:

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- Advisory Body Members' Pamphlet (Conflicts of Interest)
- Acknowledgement Form (Sunshine Law provisions)
- Formal Instructions to the Committee
- Scoring Matrix
- Evaluation Criteria Guidelines
- Past Performance Records
- Reference Check Questionnaire

The Office of Counsel will provide documentation regarding the integrity of the procurement process and the reporting of possible conflicts of interest (ethics violations) and Sunshine Law requirements. Conflicts of interest include:

- Financial (business relationship) or personal interest in one or more of the firms being evaluated (personal interest includes a relative working with the firm being evaluated).
- Attempts to influence the selection committee member's evaluation by any individual within or outside the District.
- Any matter that could result in the appearance of preferential evaluation of one firm over another.

Each committee member will be instructed to report to the Chairperson immediately any actual or potential conflict of interest that would prevent the committee member from conducting an unbiased evaluation of the proposals. The Chairperson will consult with the Office of Counsel for a determination of whether the member remains on the Committee.

The Office of Counsel will provide guidance as to the Sunshine Law and its requirements regarding communications between members of the Committee. A basic overview is as follows:

- Based on a 1997 court ruling, any meeting by two or more members of a selection committee is considered an "official meeting" and is subject to Florida's

Government in the Sunshine Law, Chapter 286, Florida Statutes.

- Such "official meetings" must be noticed in a newspaper of general circulation seven (7) days prior to holding such a discussion and must state where and how members of the public may gain access to the meeting.
- Failure to comply with the provisions of the Sunshine Law may result in civil and/or criminal sanctions.

At the conclusion of the kick-off meeting, each of the committee members will review the "Acknowledgement Form" which outlines the discussions regarding conflicts of interest and the Sunshine Law provisions. Each member will sign a statement confirming that no conflict of interest exists with any of the respondents evaluated for a potential award under the solicitation. If a conflict does arise, the member will be replaced with one of the alternates chosen by the Chairperson for the solicitation.

As discussed in Chapter 3 of the Manual, the Project Manager will serve either as a member of the selection committee or as a technical advisor to the Committee. In either capacity, the Project Manager will provide a detailed briefing of District project objectives at the mandatory kick-off meeting.

If the Project Manager serves as a non-voting member, the Project Manager will be available to answer technical questions at Committee meetings during the evaluation process. The Project Manager will attend all publicly noticed selection committee meetings but may not participate in the general discussion of the merits of each proposal, except to provide technical advice upon request by the Committee members.

At the kick-off meeting, the Chairperson will review the formal instructions and guidelines provided to the selection committee members regarding the evaluation and scoring process. This process is addressed in more detail below.



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Evaluation of Proposals. The function of the Committee is to evaluate all technical and cost proposals, if applicable, pursuant to the evaluation criteria set forth in the RFP.

Prior to the evaluation and scoring of the proposals, each selection committee member must become familiar with the solicitation's requirements, the source selection plan and the rating system.

*(a) Evaluation Overview.* The source selection evaluation process is an examination of each proposal in detail against the evaluation factors/subfactors and the requirements set forth in the solicitation in conjunction with the assignment of a rating, which includes a supporting narrative. The principal purposes of the process are to:

- Determine which proposals are acceptable and/or can be short-listed for further consideration.
- Provide a sound basis for selection by presenting a clear picture of the issues considered during evaluation by each of the selection committee members as follows:
  - Identifying those areas of uncertainty as well as those which provide substantial assurance of a successful outcome.
  - Listing the strengths, weaknesses and risks of the proposed approaches.

The specific criteria to be evaluated are set forth in the scoring matrix and are identical to the categories outlined in the Part 3 of the solicitation.

The Evaluation Criteria Guidelines provide a common understanding of what should be considered while reviewing the proposals. The Evaluation Standards will provide the definitions (as set forth in the solicitation) for the rating of technical merit, qualifications and past performance (performance risk) and price related factors (if applicable). Sample

Evaluation Criteria Guidelines (Exhibit 5) and Evaluation Standards (Exhibit 6) are attached to the Manual for both standard RFP and CCNA RFP projects.

The Chairperson will provide past performance records (interim and final) for all firms that have been evaluated by District staff for contracts completed within the past three years. For those firms without a 'past performance' record, the committee members will be instructed to enter a score of "3" for each to ensure consistency among the members in the evaluation process.

Reference checks will be completed by the Project Manager. If the Project Manager is not a member of the Committee, reference checks will be completed by committee member(s) designated by the Chairperson at the kick-off meeting. A minimum of three firms must be contacted regarding each respondent's past performance. A standard questionnaire will be forwarded with the packet for this purpose.

All questionnaires must be returned to the Chairperson no later than two days before the publicly noticed committee meeting to allow time for review and distribution by the Chairperson to each of the committee members for the scoring of this factor.

The scoring for the 'M/WBE' section will be completed by the Equity in Contracting office and provided to the Chairperson for input on each committee member's score sheet.

The Chairperson will complete the scoring for the 'Previous District Work' section. For this factor, the final score for each firm is formula based, calculated on the amount of dollars awarded to the respondent for the past three years (from the date of proposal receipt - refer to Exhibit 6).

The Chairperson also will complete the scoring for the 'Location' section in CCNA RFPs and when separately designated in standard RFP projects (if the work is site specific). For this factor, the final score for each firm is formula based, calculated on the number of miles from

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District headquarters (or from a site-specific location) of the respondent's project office (i.e., location of the project manager and/or other key personnel for the project – refer to Exhibit 6).

(b) *Scoring of Proposals.* The Evaluation Scoring Matrix (Exhibit 4) provides, in summary format, the evaluation factors to be utilized in the analysis of each proposal. The form includes columns designed for scoring of the written proposal and final scoring after oral presentations, if applicable.

The matrix contains the list of criteria by category, with a predetermined maximum allocation of points for each major category and weights assigned to each subfactor. The maximum total of potential points equals 100. The Chairperson also will provide Evaluation Criteria Guidelines and Standards (Exhibits 5 and 6) to determine the relative merit of each proposal with respect to the evaluation factors. These Standards will reflect the method selected in the Procurement Strategy to evaluate cost factors as part of the proposal rating method.

Instructions are provided on the form for each committee member to place a numerical score from 0 to 5 before the weight (1, 2 or 3) assigned for each evaluation factor. The two numbers are then multiplied to reach an actual weighted score for each item. A summation of all the weighted scores becomes the numerical (raw score) rating of a proposal by each evaluator.

The score sheets are signed, dated and returned to the Chairperson in accordance with the deadlines established in the *Instructions* provided to each Committee member. The score sheets must include a narrative describing the strengths and weaknesses of each proposal as independently determined by each Committee member (Selection Committee Evaluation Worksheet – Exhibit 6). Depending on the method selected in the Procurement planning stages and whether or not the procurement is a CCNA RFP (technical evaluation only), the Chairperson will release the cost proposal to

each committee member for additional evaluation and scoring.

As the Chairperson awaits the scoring for the cost proposal, if applicable, the Chairperson will tabulate the technical scores presented by each committee member and will input the scores for Equity in Contracting, Previous District Work and Location (if a CCNA project or site specific for a non-CCNA project) and pricing (if a non-CCNA project).

Upon receipt of all the committee member's scores for the cost proposals (if applicable), the Chairperson will prepare a spreadsheet of the summary raw scores for the Committee, which will then be converted to individual and composite rankings and presented at the general Committee meeting.

General Committee Meeting. The Committee will officially meet on the publicly noticed date advertised in the solicitation. The Chairperson will prepare an agenda for the meeting. At this meeting, committee members will discuss the strengths and weaknesses of each of the proposals.

If the Project Manager serves as an advisor to the Committee, the members may obtain technical input during these discussions. If necessary, committee members may attend the meeting via teleconference. The public may attend the General Committee Meeting but may not participate in any manner throughout the proceedings.

After discussing the proposal evaluations as a group, selection committee members may wish to revise a score to reflect new or previously misunderstood information. It is permissible for rating sheets to be amended as a result of such Committee discussions.

If changes are made, each committee member will complete a justification form for each proposal, as appropriate, which indicates the basis for any scoring adjustments that have occurred as a result of new information obtained during the discussion period.

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At the completion of this discussion and following any adjustments to the spreadsheets previously prepared by the Chairperson, if applicable, the Chairperson will distribute the results of the tabulation by the Committee (summary raw score and ranking matrices).

The Chairperson, in conjunction with the members of the selection committee, will determine whether to proceed with contract award based on the composite scores/rankings or to proceed with the next step in the evaluation process - discussions or formal oral presentations. Discussions or oral presentations will be required in the event of ties or when there are discrepancies between the summary raw score and ranking matrices as to the top-ranked firm, which require clarification. For CCNA projects, oral discussions are mandated by statute.

If discussions or oral presentations become necessary, the Committee will determine the list of firms to be short-listed for further consideration. The number of firms selected will be based upon the Committee's determination of the proposals that have a reasonable chance of being accepted for award. A minimum of three (3) firms are required for oral discussions in CCNA RFPs, as mandated by statute.

The purpose of the discussions or oral presentations is to provide a forum for clarifications. This process will serve to promote an understanding of the District's requirements and the respondents' proposals and capabilities as a means of arriving at a contract that will be most advantageous to the District, considering price (as ultimately negotiated) and other evaluation factors set forth in the RFP.

This process may be accomplished either through teleconferences with the short-listed firms and selection committee members or through formal oral presentations to the Committee.

The Committee will determine the best approach for this step (i.e., teleconference discussions or formal oral presentations) by considering the

complexity of the project, the degree of clarification required, the need to examine interactions between team members (prime firms and subcontractors) and the methods of communicating technical information to the District.

In preparation for the teleconference discussions or oral presentations, identical questions will be prepared at the Committee meeting for submittal to the short-listed firms. The order of teleconference discussions or formal presentations by the firms will be randomly selected by the Committee. The Chairperson will notify each of the firms short-listed for further consideration and will forward, in writing, the questions to be addressed and the time scheduled for the teleconference discussion or formal presentation. Discussions (either teleconferences or oral presentations) are generally scheduled within one (1) week to ten (10) days of the General Committee Meeting.

The Chairperson will advise each of the short-listed firms that the teleconference discussion or formal oral presentation is not an opportunity to change the proposal or present new concepts. Respondents may only elaborate on their initial proposals and respond to questions posed by the selection committee members. The teleconference discussions or formal presentations shall be lead by the firm's Project Manager. Key technical project personnel, including subcontractor representatives, should be available to participate in the question and answer period with the committee members.

The Chairperson will advise the Committee that disclosure of technical information from other proposals or indication of the personal preferences of any individual committee member to the approaches being considered is not permitted when addressing questions to the firms during the teleconference sessions or at the conclusion of their formal oral presentations.

When the Committee has completed all matters relating to the agenda set for the meeting, the Chairperson will review the *Minutes* of the meeting for adoption by the Committee in

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accordance with the requirements of the Public Records Law (Chapter 119, Florida Statutes).

Oral Discussions or Formal Presentations. The Committee will officially meet on the publicly noticed date advertised in the solicitation. The Chairperson will prepare an agenda for the meeting. All orals will be conducted the same day. The public may attend the oral presentations but may not participate in any manner throughout the proceedings.

Each of the selection committee members and the Chairperson must attend the oral discussions or formal presentations, as appropriate. In the case of an emergency, when there is adequate time to cancel the proceedings, the discussions or formal presentations shall be held on the alternate publicly noticed date.

When it is not possible to use the alternate date, the discussions, if teleconferenced, shall be audiotaped. It is imperative that all equipment used for these purposes shall be adequately maintained, tested and in good working order on the date of the meeting. If possible, two tape recorders shall be used throughout the proceedings to ensure a back-up in case of equipment malfunction.

If formal oral presentations are scheduled and it is not possible to use the alternate date, the presentations shall be videotaped. It is imperative that all equipment used for these purposes shall be adequately maintained, tested and in good working order on the date of the meeting. The meeting shall be videotaped by a technical expert from the District's Information Technology staff.

The Chairperson will moderate the meeting. Before each discussion or formal oral presentation begins, the Chairperson will remind the firm that participants may only elaborate on their initial proposals and respond to questions posed by the selection committee members.

The Chairperson will indicate the time available for the presentation (30 minutes to 1 hour) and the time allowed for questions from the

Committee (1/2 hour). The Chairperson will be responsible for maintaining the schedule of each presentation.

Upon conclusion of the discussions or formal oral presentations, the Committee again will discuss the merits of each firm, considering both written proposals and oral discussions or formal presentations, as appropriate. Each committee member will independently re-score, as appropriate, after the discussion period. Written justification is required for all changes to the original scoring based on the written proposals.

At the conclusion of the oral discussions or formal presentations, as applicable, the Chairperson will review the *Minutes* of the meeting for adoption by the Committee in accordance with the requirements of the Public Records Law (Chapter 119, Florida Statutes).

The Chairperson will forward the audiotape or videotape of the discussion proceedings, as appropriate, to any selection committee member who was absent because of an emergency situation. The Chairperson will determine the most expeditious submission date of the score sheet and justification forms from any absent member in order to complete the final tabulation and meet the timelines associated with the project.

Final Ranking of Proposals. Each member of the selection committee will sign an "Attestation" form certifying that each is independent of and has no conflicts of interest with any of the respondents evaluated for a potential award under this solicitation. The form will be signed at the conclusion of the meeting in which the Chairperson gathers the final score sheets from each member for tabulation.

Final determination of award will be based on the summary of individual rankings for each committee member.

Evaluation Report. Upon completion of the technical evaluation, the Project Manager, in coordination with the Chairperson, will prepare a summary report of the strengths and

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weaknesses of each of the firms evaluated for award based on the results of the Committee's deliberations. The information will assist the Project Manager and Chairperson in developing a pre-negotiation strategy with the top-ranked firm and will be used as the basis for the debriefing of unsuccessful firms. All debriefings are conducted by the Project Manager and Chairperson.

Posting of the Evaluation Results. The results of the final evaluation and the establishment of the members of the negotiation team (generally the Project Manager and Chairperson) are officially posted via the *Authorization to Enter into Contract Negotiations* for a period of 72 hours. The official notice, as required by Florida Statute will be posted on the second floor of the "B1" Building location. The intended award decision will also be communicated via the District's XWeb and Procurement's Hotline.

Failure to file a protest within the time prescribed in Section 120.57(3), Florida Statutes and Chapter 28-110, F. A. C., or failure to post the bond or other security required by law within the time allowed for filing a bond shall constitute a waiver of proceedings under Chapter 120, Florida Statutes.

If no protests are received within this timeframe, Procurement will proceed with the notification to unsuccessful firms and the negotiation and award process. If a timely notice to protest, which meets all procedural and legal requirements, is received (refer to Chapter 9 for procedures) all contract activities will cease on this project until resolution of the protest issues (unless the District has declared an emergency for the project).

All unsuccessful short-listed firms are offered debriefings by the District upon conclusion of the negotiation and award process. Upon request of other unsuccessful respondents, the District also will conduct debriefings. Debriefings are discussed in more detail in Section 5-8 of this Chapter.

Initiation of the Fact-Finding and Negotiation Process. The Chairperson will coordinate with the members of the authorized negotiation team to begin the process of developing pre-negotiation strategies. If the project will be awarded pursuant to the CCNA statute, the Chairperson will request a cost proposal from the top-ranked firm. For CCNA projects, negotiation procedures are required by statute regarding price, scheduling, technical requirements and other terms and conditions.

All negotiations will proceed as outlined in below in Section 5-6 of this Chapter.

### 5-6 Negotiation

In negotiated procurements, the ultimate goal is an agreement on an overall price (or total estimated cost) and related terms and conditions (e.g., contract type and/or profit or fee) that, taken as a whole, is fair and reasonable to both parties. The District's objective is to negotiate a contract of a type and with a price that provides the contractor with the greatest incentive for efficient and economical performance.

Although the competitive negotiation process may be more lengthy, the District is in a position to select a successful respondent based on the concept of *best value*, whereby price alone may not be the primary consideration for award, depending on the required services.

Areas of concern relate to a contractor's technical expertise, management capabilities or engineering skills. A major factor in the consideration of best value is quality. In using a competitive proposal approach, negotiation procedures can be cost effective in obtaining a higher quality product.

Pre-Negotiation Strategy. The Contract Specialist shall prepare a pre-negotiation plan based on information from the RFP, respondent's proposal, factfinding results, audit findings (if applicable), the District's cost estimate, technical evaluation, previous contract history and any market research.

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The plan will include negotiation tactics and strategies by assigning roles to members of the District's negotiation team, opening negotiations with preplanned positions designed to achieve negotiation objectives, using preplanned counter-offers to work toward the District's objectives and offering concessions of lesser value in exchange for concessions that are of greater value to the District.

Fact-finding. Fact-finding is the process of validating statements made in the respondent's proposal, determining the respondent's pricing methodology and isolating any assumptions and other factors affecting the respondent's cost expectations, including those of prospective subcontractors, as a basis of forming the pre-negotiation strategy.

Fact-finding addresses ambiguities in the proposal (i.e., perceived errors, omissions or mistakes) and information relating to relevant past performance. Fact-finding does not involve bargaining or negotiating. It is a communication mechanism to resolve all questions of fact and establish the areas of judgment so that cost analysis can establish objectives. In general, a range of costs or prices will be developed rather than a single final cost or a single objective.

Responsibility Review – Proposals. In the fact-finding phase, a determination of responsibility is made relating to the prospective contractor's financial resources, performance capability and the integrity and reliability to ensure good faith performance. A full discussion of *Responsibility* is set forth in Section 5-2 of this Chapter. A summary of responsibility criteria and the roles assigned to the negotiation team members is set forth below and included in Exhibit 1 of this Manual.

(a) *Project Manager Review.* The Project Manager shall be responsible for determining the acceptability of the following:

- Ability to comply with the required or proposed delivery or performance schedule.
- Satisfactory performance record.

- Necessary organization, experience, technical skill requirements or the ability to obtain them.
- Necessary production, construction, technical equipment and facilities or ability to obtain them.

(b) *Contract Specialist Review.* The Contract Specialist shall be responsible for determining the acceptability of the following:

- Adequate financial resources to perform the contract or the ability to obtain them.
- Satisfactory record of integrity and business ethics.
- Necessary accounting and operational controls or the ability to obtain them.
- Otherwise qualified and eligible to receive an award under applicable laws and regulations.

If the negotiation team members are unable to obtain sufficient data to establish pre-negotiation objectives, the Contract Specialist may request a pre-award inspection of the facilities and/or a pre-award audit of the respondent's financial records by the Inspector General's Office.

(c) *Audit Review.* Audit reports may include, but are not limited to, information regarding the following:

- The contractor's basis and method for estimating costs.
- The accuracy, completeness and current status of submitted cost or pricing data.
- Additional cost or pricing data of relevance to the proposal.
- The dollar impact of technical analyses received by the auditor.
- The adequacy of the contractor's estimating methods and accounting systems.

Any findings by the Inspector General will be discussed with the negotiation team members and incorporated in the development of pre-negotiation objectives.

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When the negotiation team is able to obtain sufficient data to complete the responsibility review without an audit or pre-award inspection of the contractor's records by the Inspector General's Office, each of the members of the negotiation team shall complete their respective reviews during the fact-finding process.

The results of the fact-finding analysis will serve as an aid to the negotiation team in judging the overall reasonableness of the proposed costs in meeting the technical requirements and in establishing negotiation objectives. If there are any concerns resulting from the fact-finding analysis that relate to the contractor's responsibility, the negotiation team will follow the procedures outlined in Chapter 5-3, *Determination of Responsibility*.

(d) *Negotiation Objectives.* The negotiation team shall examine project costs proposed by the respondent to arrive at a negotiation position. Project costs are dependent upon three primary items:

- Level of expertise required by the project.
- Time necessary to complete the project.
- Expenses incurred during the course of the project.

The negotiation team must review project costs in light of District objectives, the District's budget estimate and 'cost realism', by determining whether the proposed costs are:

- Realistic for the work to be performed.
- Reflect a clear understanding of the requirements.
- Consistent with the various elements of the technical proposal.

The negotiation team shall utilize cost and price analysis in reviewing the proposed costs and total price of the project. 'Price' is defined as cost plus any fee or profit applicable to the contract type.

'Price Analysis' is the process of examining and evaluating a proposed price without evaluating the separate cost elements and proposed profit.

'Cost Analysis' is the review and evaluation of the separate cost elements and proposed profit included in the contractor's cost or pricing data and the evaluation of the extent to which the proposed costs, after analysis of the validity of the data, represent what the cost of the contract should be, assuming reasonable economy and efficiency.

Costs are generally classified as direct or indirect and must be:

Reasonable - consistent with market pricing, established business practice.

Allowable - project specific, necessary for overall operation of business and appropriately allocated to indirect cost pools.

Allocable - chargeable in accordance with generally accepted accounting principles (audited or with established company methods for accumulating, segregating and billing of contract costs).

The acceptability of the final negotiated price must include consideration of the following:

- Allocation of personnel/hourly rates to tasks
- Cost of each level of expertise
- Percentage of costs allocated to materials (other direct costs), overhead and direct labor

The negotiation team members shall apply cost and price analysis to the following breakdown of costs in developing negotiation strategies. The techniques and examination of cost elements for estimating subcontract or consultant costs are identical to those included below.

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### **❖ Types and Level of Professional Positions**

Direct Cost. The level of expertise should be identified for each of the members of the proposed project team to conduct and complete the project tasks. While there are no fixed guidelines for estimating the time required by the contractor to perform specific tasks, appropriate estimates of the hours necessary to complete a task can be an important part of contract negotiations.

This is especially important to ensure that the District will only be paying for time that was actually spent on the project. To this end, the Project Manager should review the following:

- Number of staff hours
- Staffing levels/management oversight required.
- Distribution of work among staff levels.
- Number and type of subcontractors/subconsultants.
- Division of responsibilities between the contractor and subs.

The hourly and daily rates for direct labor can vary considerably among contractors. To determine whether the rates charged by professional position are reasonable, the Project Manager should consider the following:

- Anticipate what the average salary costs per labor input will be over the performance of the contract.
- Estimate the fees charged for each level of expertise with this factor in mind and possible increases due to rent and cost-of-living increments.
- Compare the annual salaries of District employees with comparable qualifications as well as prior experience/knowledge of rates charged by firms who have performed similar projects for the District.

The Contract Specialist shall also verify the current base labor rates by obtaining payroll records and the payroll compensation structure by labor classification.

### **❖ Scope of Activities**

Other Direct Costs. The Project Manager shall also review the legislative statutes, standards or policies to be followed, the tasks, subtasks and deliverables required for the project (project timelines), the delineation of contractor and District responsibilities and the types of other direct costs (materials, expenses) that may be necessary for successful completion of the project. These include:

- Number and types of meetings
- Number of reports and/or presentations required
- Equipment requirements
- Special facility requirements

In reviewing these project components, the Project Manager should consider the most reasonable level of other direct costs for the scope of activities, by considering:

#### Travel Costs

- Number of trips/individuals per task
- Number of meetings required
- Need for advisory committee members
- Number of trips requiring airfare (consider pricing based on discounted rates and timing of trips with other on-going contracts)
- Rental cars (no. of days/individuals)
- Mileage reimbursement (District allowable rate is \$.29 per mile)

#### Per Diem Considerations

- Hotel costs – number of overnight stays and use of District discounted rates (Radisson Hotel - \$81 per night)
- Amounts allocated for meals (District allowable rate is \$21 per day)
- Number of people (possible advisory committees, airfare, per diem, car rentals, mileage reimbursement)



## **DRAFT CHAPTER 5 EVALUATION AND AWARD**

### Report reproduction costs

- Number of reports and/or documents required
- Number of copies/cost per page

### Equipment or special supplies

- Must be project specific
- Estimate types and costs

### ❖ **Overhead Rates**

Indirect costs are general business operational costs that are not readily identified to a specific cost item in the performance of the project. Indirect costs include the following:

### Operational overhead

- Burden costs allocated against direct labor - rent, telephone, utilities
- Indirect labor (personnel not identified to the contract)

### Fringe Benefits

- Vacation
- Sick leave
- Medical insurance
- Holiday
- Educational assistance
- Workman's Compensation
- Retirement plan
- Payroll taxes

### General and Administrative Costs

Support costs allocated to total costs:

- Repairs & maintenance
- Vehicle expense
- Depreciation
- General office expenses (supplies)
- Postage
- Insurance
- Computer expense
- Travel

The Contract Specialist shall review the financial statements provided by the respondent and the indirect cost rate factor (overhead, fringe benefits, general and administrative costs) for reasonableness, allowability and allocability. The overhead rates must be audited rates or rates verified by a certified public accountant.

The following items will be disallowed in negotiations:

### Non-Applicable Overhead Expenses

- Bad debts
- Marketing/Business Development
- Donations
- Interest
- Federal Income Taxes

### Questionable Overhead Expenses

- Conventions and seminars
- Dues and memberships
- Meals and entertainment
- Travel (if charged directly, obtain policies regarding travel cost allocation)
- Miscellaneous

A template and guidelines are provided for the analysis of financial statements in Exhibit 8.

### ❖ **Profit or Fixed Fee**

The Contract Specialist will determine a reasonable profit margin based on general District standards for the project type as well as consideration of more complex projects and the risk factors involved in successfully completing the project. A structured approach (profit matrix) will be utilized as necessary for this purpose. The Contract Specialist shall delete any profit factor for the subcontractor's costs prior to the determination of total costs and the application of the agreed upon profit rate for the prime contractor to reach the total contract price.

Standard profit analysis factors are as follows:

Contractor Effort. Evaluate the complexity of work and resources required of prospective contractor for contract performance, i.e., managerial and technical effort required, coordination needed to perform contract tasks and diversity of engineering, scientific and/or manufacturing labor skills required.

Indirect Costs. Evaluate the amount of labor effort in indirect costs that contribute to contract performance, i.e. routine nature or are

## DRAFT CHAPTER 5 EVALUATION AND AWARD

there elements that contribute significantly to the proposed contract.

General Management. Evaluate the measure of other indirect costs and general and administrative (G&A) expense and the composition of elements within pools, i.e., routine type expenses or elements of unusual managerial effort and attention.

Contractor Cost Risk. Evaluate the degree of responsibility and associated risk that the prospective contractor will assume as a result of the type of contract selected and consider the reliability of the cost estimate considering the complexity and duration of the contract risk.

M/WBE Considerations. Evaluate the degree of support by the prospective contractor in utilizing minority and women owned small businesses in the work to be performed.

Other Considerations. Consider the amount of capital investments, i.e., contribution of contractor investments to efficient and economical contract performance. Also consider the level of cost-control and other past accomplishments, i.e., consideration should be given to greater profit opportunities for a contractor that has previously demonstrated its ability to perform similar tasks effectively and economically.

General ranges and examples of projects are set forth below:

Level of Risk	Project Examples	Percentage
<u>Low</u>	Desktop Studies	7-8%
<u>Medium</u>	Data collection Sampling, Modeling, Feasibility Studies	9-10%
<u>High</u>	Research, Design, Engineering, and Software Development	11-12%

### ❖ Business Requirements

The Contract Specialist shall review the proposal for business requirements and coordinate other compliance issues with Risk Management and Equity in Contracting to determine the acceptability of the following:

- Authorization to do business in the State of Florida
- Insurance and/or bonding levels
- M/WBE participation

### ❖ Multiplier (CCNA Project)

In more complex research, engineering or design projects, a multiplier ('loaded' hourly rate) is often applied to the base salary rates to obtain the costs per task completion and must be negotiated based on the examination of costs provided above. The final, acceptable 'loaded' rate will be determined as follows:

Direct Labor = 1.00

Fringe Benefits: Add the negotiated percentage

Overhead: Add the negotiated percentage

Profit: Multiply the sum of the three elements above (direct labor, fringe benefits and overhead components) by the negotiated profit percentage.

The final 'loaded' rate will be applied to the number of hours allocated by individual and by task. The sum of all the tasks and other direct costs becomes the total contract price.

### ❖ Truth in Negotiation Certificate

The Contract Specialist shall require the contractor to complete a Truth in Negotiation Certificate, stating that wage rates and other factual unit costs supporting the compensation are accurate, complete and current at the time of contracting. The Contract Specialist shall obtain the certificate at the completion of negotiations for all projects subject to the Consultants' Competitive Negotiation Act (CCNA) and/or for all projects over a total negotiated price of \$300,000.

## **DRAFT CHAPTER 5 EVALUATION AND AWARD**

As mandated by the CCNA statute, all contracts at the District, under which such a certificate is required, contain a provision that the original contract price and any additions thereto will be adjusted to exclude any significant sums by which the District determines the contract price was increased due to inaccurate, incomplete or non-current wage rates and other factual unit costs. All such contract adjustments must be made within one (1) year following the end of the contract.

### **5-7 Memorandum of Negotiation**

The Contract Specialist shall prepare a Memorandum of Negotiation that documents the purpose of the negotiation, summary of the contractor's proposal and the District's pre-negotiation positions, issues encountered in the negotiation process and the final negotiated levels for each component of the cost proposal, forming the basis for the negotiated final price. Performance evaluation procedures shall be discussed with the successful firm during contract negotiations. The District shall clearly describe its performance expectations and stress the importance of the performance evaluation in future source selections. The Contract Specialist shall indicate that this discussion took place in the negotiation memorandum.

A template and guidelines for the Memorandum of Negotiation are included in Exhibit 9.

### **5-8 Contract Award**

Final award shall be made to the responsive, responsible contractor that is most advantageous to the District, considering price and all factors evaluated as part of the solicitation.

If negotiations are not successful, the District will formally terminate the negotiation procedures and proceed with the next top-ranked firm. If a CCNA project, the Contract Specialist will request a cost proposal of the next top-ranked respondent. Negotiations will be conducted in this manner until an acceptable agreement has been reached between the parties.

Award shall be made by mailing or otherwise furnishing a formal award document to the successful contractor. When more than one award results from any single Request for Proposals, separate award documents shall be suitably numbered and executed.

All terms and conditions of the Request for Proposals, including any acceptable additions or changes made as a result of the negotiation process, shall be clearly and accurately set forth (either expressly or by reference) in the award document. All insurance forms should clearly state the District as an additional insured under general liability and auto liability.

The final award document will be forwarded to the contractor for review and execution prior to Governing Board approval. Governing Board approval is required for all standard contract awards over \$50,000, over \$100,000 for construction contracts and over \$300,000 for ECP contracts. Upon full execution by the District, funds will be encumbered by the Contract Specialist for the fiscal year.

Sole Response to the RFP. When a single proposal has been received in response to an RFP, an award may be recommended only after the Contract Specialist has documented the following in writing:

- A sufficient number of other contractors had a reasonable opportunity to respond.
- The reasons why, after inquiries by the Contract Specialist and the Project Manager, other respondents chose not to submit proposals (especially important to survey minority and small businesses).
- The proposal submitted meets minimum requirements for award and has been fully evaluated and rated.
- The offered price is fair and reasonable based on a cost or price analysis.
- The contractor is responsible.

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### **EVALUATION AND AWARD**

- Resolicitation is not in the best interest of the District.

If the information above cannot be documented, the single proposal must be rejected and the procurement must be resolicited or canceled.

#### **5-9 Debriefings**

Overview. Upon completion of the source selection and award process, it is common practice to debrief unsuccessful respondents. Debriefings are not required when sealed bid procedures are used.

The purpose of the debriefing is to provide 'meaningful' discussions that will improve and enhance the respondent's ability to compete successfully on District solicitations that are released in the future.

The debriefing also serves to reduce misunderstandings and protests and provides the respondent an opportunity to provide feedback regarding the solicitation, evaluation, discussions and the source selection process.

It is important that the respondent understands that the proposal was evaluated thoroughly, consistent with the evaluation criteria of the solicitation, fairly and impartially in accordance with established District procedures and applicable laws and regulations.

The respondent's interpretation of its proposal and oral presentation, if applicable, and the District's evaluation may differ. It is not the purpose of the debriefing to engage in a debate with the unsuccessful respondent regarding the District's award decision or evaluation results, nor shall the District conduct a page-by-page analysis of the respondent's proposal.

Procedures. Unsuccessful respondents, upon their written request must be debriefed and informed of the basis for the ultimate source selection and award.

All unsuccessful short-listed firms are offered debriefings by the District upon conclusion of the negotiation and award process. Upon request of other unsuccessful respondents, the District also will conduct debriefings.

Debriefings at the District are conducted orally, either at the District headquarters or by teleconference.

Procurement (Contract Specialist) shall chair the debriefing session, with the assistance of the Project Manager. All debriefing teams must be courteous and responsive to questions involving the respondent's proposal.

Preparation for the Debriefing. The Project Manager shall prepare a chart of the firm's strengths and weaknesses based on the summary evaluation report prepared by the Project Manager, in coordination with the Chairperson, at the completion of the technical evaluation. The chart will demonstrate the overall results of the Committee's deliberations regarding the respondent's proposal. The Project Manager should also be prepared to point out mistakes or omissions in the respondent's proposal.

General Guidelines. Debriefing information shall be limited to a discussion of the results of the evaluation, as reflected by the strengths and significant weaknesses or deficient factors in the proposal.

Failure to provide 'meaningful' discussions includes the failure to disclose deficiencies and the failure to resolve (or at least point out) mistakes in the proposal.

All discussions must be within the framework of the solicitation and should refer to sections of the solicitation where appropriate. The overall evaluated cost (non-CCNA) and technical rating of the successful respondent and debriefed firm may be discussed as well as the rationale for award decision.

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The debriefing team should ensure that reasonable responses are made to relevant questions regarding the District's source selection procedures and the information contained in the solicitation.

The purpose of the debriefing is not intended to disclose:

- A point-by-point comparison to other proposals submitted in response to the solicitation.
- Information that is exempt under Chapter 119, Florida Statutes.

Pursuant to the requirements of the Public Records Law, the respondent may review all proposals and evaluation materials (with the exception of materials exempt under Chapter 119, Florida Statutes that were submitted in response to the RFP at the time the District posts notice of its intended decision or ten (10) days after the response opening, whichever is earlier.

Post-Debriefing Memorandum. A summary of the debriefing will be prepared by the Contract Specialist and included in the file documentation. A well prepared de-briefing memorandum is essential if the procurement is reopened or resolicited as a result of a protest or otherwise within one (1) year of the contract award date.

The post-debriefing memorandum should include at a minimum:

- A list of all persons who attended the debriefing.
- A summary of the information disclosed during the debriefing. Attach any charts or spreadsheets provided by the Project Manager to brief the respondent as well as the summary evaluation report prepared at the conclusion of the technical evaluation.
- The substance of all questions and answers discussed at the debriefing.

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### CONSTRUCTION AND DESIGN-BUILD CONTRACTING

#### 6-1 Method of Contracting

Construction services over \$200,000 shall be acquired by the District using sealed bid procedures, as outlined in Chapters 3 and 5. All construction awards are firm fixed price. Governing Board approval is required for all construction contracts or purchase orders over \$100,000 and over \$300,000 for ECP contracts.

Design-Build services shall be acquired by the District using the a two-step qualifications-based selection process for entering into a contract whereby the selected firm will perform design and construction services within a guaranteed maximum price and guaranteed completion date. Further details are provided in Chapter 3 and Section 6-4 of this Chapter.

#### 6-2 Partnering

Principles. Partnering is the development and sustainment of a relationship that promotes achievement of mutually beneficial goals. Partnering may be described as a:

(a) *Voluntary arrangement* between a CCNA design firm (design-bid-build) and the District for general assistance and participation in partnering meetings during construction when the firm's attendance is necessary to discuss:

- Design intent.
- Procedures for responding to the construction contractor's questions on the drawings and specifications.
- Scheduling considerations.
- Other project issues.

Since it is voluntary, a firm is not directly compensated for partnering, but may be compensated for assisting the District in partnering construction meetings.

(b) *Contractor team arrangement*, as follows:

- Two or more companies that form a partnership or joint venture to act as a potential prime contractor; or

- A potential prime contractor joining with one or more other companies to act as its subcontractors.

General. Contractor team arrangements may be desirable from both a District and industry standpoint in order to enable the businesses involved to (1) complement each other's unique capabilities and (2) offer the District the best combination of performance, cost and delivery for the services or product being acquired.

Policy. The District will recognize the integrity and validity of contractor team arrangements provided that the arrangements are identified and business relationships are fully disclosed in the proposal.

The District will not authorize contractor team arrangements in violation of any federal or state laws or regulations, nor will a contractor team arrangement restrict the District's rights to:

- Determine, on the basis of the stated contractor team arrangement, the responsibility of the prime contractor.
- Provide to the prime contractor data rights owned/controlled by the District.
- Pursue the District's policies on competitive contracting and subcontracting.
- Hold the prime contractor fully responsible for contract performance, regardless of any team arrangement between the prime contractor and its subcontractors.

#### 6-3 Procurement Planning

Special aspects of the planning process for construction and design-build services involve the following considerations. A discussion of these elements must be included as part of the District's formal procurement strategy (outlined in Chapter 3).

Design/Construction Strategy. Determine the best method to accomplish the project objectives, as follows:

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### CONSTRUCTION AND DESIGN-BUILD CONTRACTING

- Use of internal District technical experts for development of project design (plans and drawings) and soliciting the construction services (RFB).
- Use of a combination of procedures through the Design-Build contracting process.
- Program management and project design/construction (design, bid, build), through a Construction Management at Risk contracting process (CCNA RFP solicitation process).

The strategy for developing the design plan in-house is based on the following:

- Size/complexity of the project.
- Schedule constraints.
- User needs.
- Funding constraints.
- Availability of criteria for design effort (topographical, soil investigation surveys, etc.).
- Availability of an existing continuing services or work order contract for design services.
- In-house capabilities.
- Time constraints.
- Past experience.

Size of the project and availability of internal District technical resources are most important in making the decision.

**Risk Factors.** Discuss technical, cost or schedule risks and what efforts are being made to offset, including any delays that may be encountered by a prequalification of bidders. Other risk factors to be considered include:

- Availability of labor, material, subcontractors, utilities.
- Vagaries of the construction site, including subsoil conditions, surface topography, location of utilities, railroad access.
- Other factors including proximity of disposal sites, special permits, licenses, environmental assessment and impact

statements, identification of any hazardous materials and establishment of demolition requirements.

**District/Contractor Performance.** Discuss the use of value engineering options or other incentives to improve the quality of the services.

**Logistics Considerations.** Discuss the location of the construction project (remote, inaccessible, special handling requirements or storage of materials), maintenance, warranties and reliability and the proposed plan to minimize or solve the problems.

**District Furnished Property.** Identify any equipment or supplies that will be provided by the District. Is the equipment off-the-shelf or does it need to be specially manufactured?

**Safety/Security.** Discuss any special security or safety requirements for the project.

**Quality Assurance Provisions.** Describe all special quality or inspection requirements.

**Environmental Considerations.** List all permits that have been or must be obtained, as well as any restrictions concerning them. Identify any environmental impact statements (and dates), as well as plans for disposal of any hazardous materials.

**Milestones.** Discuss the management plan, any time constraints and type of progress evaluation procedures to be used (i.e., CPM, Bar Chart, PERT).

**Partnering.** Consider the complexity of the project and discuss the benefits of partnering with the design firm, if applicable, in overseeing the construction process after contract award.

#### **6-4 Design Build Contracting**

**General.** The design plan is an integral part of the overall construction procurement strategy. It involves a decision which is made early in the planning stages as to the most feasible approach to obtaining design solutions for a construction

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### **CONSTRUCTION AND DESIGN-BUILD CONTRACTING**

project. When the development of specifications cannot easily be developed for large, complex construction requirements and where a partnership approach is critical to successful project management, the design-build method can be the most effective competitive mechanism to accomplish District objectives.

The Design Build contracting process is a “turnkey” method by which a single contract award is made for both design and construction. It requires the services of a design criteria professional with appropriate qualifications to prepare a design criteria package that will provide acceptable solutions to a complex construction project.

An overview of the design-build process is set forth in Chapter 3-8, *Selection of Appropriate Solicitation Method*.

**Competitive Procedures.** The award of Design-Build contracts utilizing a qualifications-based selection process must include as a minimum the following:

(a) Preparation of a design criteria package for the design and construction of the public construction project.

(b) Qualification and selection of no fewer than three design-build firms as the most qualified, based on the qualifications, availability and past work of the firms, including partners or members thereof.

(c) Solicitation of competitive proposals, pursuant to a design criteria package, from those qualified design-build firms and the evaluation of the responses submitted by those firms based on the evaluation criteria and procedures established prior to the solicitation of competitive proposals.

(d) Consultation with District technical staff or retained design criteria professional concerning the evaluation of the responses submitted by design-build firms; the supervision or approval by the District of the detailed working drawings of the project; and for evaluation of the

compliance of the project construction with the design criteria package by the design criteria professional.

The design build team effort may include a licensed general contractor; a licensed general contractor utilizing a design firm as a subconsultant; or a joint venture or partnership with a combination of the design firm and general contractor.

The design build qualifications-based competition requires a combination of formal solicitation methods that are detailed below:

#### **Phase 1**

##### ***Process:***

1. Determination of qualifications
2. Evaluation criteria
  - Related design and construction experience.
  - Financial capabilities.
  - Past performance record.
  - Adequacy and ability of personnel.
  - Willingness and ability to meet time and budget requirements.
  - Recent, current/projected workload.
  - Location of offices.
  - Ability to furnish the required services.
  - Certified minority business enterprise.
  - Volume of work previously awarded.
3. Selection committee scoring
4. Determination of short-listed firms (minimum of three firms)

##### ***Solicitation:***

Formal Request for Information  
CCNA RFP evaluation procedures  
Chapters 3, 4 and 5

#### **Phase 2**

##### ***Process:***

1. Evaluation of technical proposals
  - Understanding of the scope of services
  - Proposed approach/Methodology
  - Soundness of Proposal
2. Oral presentations



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3. Selection committee scoring  
(qualifications/technical proposal/orals)
4. Final point rating of each firm  
(avg. of point ratings of committee)
5. Scoring of cost proposal  
(Guaranteed Maximum Price)
6. Final Score  
(GMP divided by numerical rating)

#### ***Solicitation:***

Request for Proposals, CCNA RFP  
Chapters 3, 4 and 5

#### **6-5 Construction Bid Contracting**

The construction phase of any project is managed after completion of the design plan, whether the determination is made to develop specifications and drawings by internal District staff or by soliciting and awarding a contract to a professional design contractor (CCNA).

If the design component is competed separately (CCNA RFP), the follow-on construction project cannot be awarded to the firm that designed the project.

Once the final working drawings and specifications are developed, the Project Manager shall complete the internal steps (ICMS entry and review by District units, obtaining the Real Estate certificate, preparing the construction contract details form, obtaining the necessary permits and obtaining the necessary finance/budgetary requirements) in order to move forward with the construction bid process. Requirements for the competitive bid process (formal RFB) are set forth in Chapters 3 and 5 of this Manual.

#### **▪ Pre-Solicitation Phase**

Independent District Estimate. The independent District cost estimate (estimate) will be developed from a detailed analysis of the Specifications/Statement of Work. The District estimate shall not be based on a percentage of

construction cost, arbitrary ceilings, the availability of funds or any cost or pricing information provided by the design contractor, if applicable. The intent of developing the estimate is to determine a price for the required work which is fair and reasonable to the District.

The estimate will be prepared by the Project Manager, District engineers and/or other appropriate District personnel having expertise in the type of work being contracted. The Contract Specialist and Inspector General's office can also provide assistance for information on overhead, labor rates and other pertinent unit costs and prices.

When two-step sealed bidding is used, the independent District estimate shall be prepared when the contract requirements are finalized.

*(a) Profit/Fee Guidelines.* The federal limitation of a six percent (6%) profit or fee limitation for the production and delivery of designs, plans, drawings and specifications should be considered when preparing the District estimate. The estimate will be clearly organized to show the elements of estimated price, including associated overhead and profit, with consideration of the federal six percent (6%) limitation. The total of these elements of price will be expressed as a percentage of the estimated construction cost (excluding contingencies, supervision and administration).

*(b) Labor and Overhead Rates.* The District estimate will use labor and overhead rates representative of the type of CCNA firms that have been selected as the most highly qualified to perform the required work. Consideration should be given to such factors as size, market area, specialization and capabilities. Arbitrary limits on the overhead and labor rates used in the District estimate are prohibited.

*(c) Breakdown of Costs.* The District estimate will be organized to correspond to each phase or sub-phase of work in the Statement of Work/Specifications. The estimated price for each phase or sub-phase will be itemized to show the direct labor costs, overhead costs,

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travel costs, other direct costs and profit. A discussion of cost elements is included in Chapter 5-6 of this Manual.

**Direct Labor Costs.** The labor hours needed for each position classification (levels of expertise and type of disciplines) are determined by analysis of the required tasks and deliverables in the Statement of Work.

Reasonable effort must be included for project management, quality control and assurance, clerical support and coordination between disciplines. The estimated labor rates for work of extended duration or for later phases of work will be adjusted for escalation. Labor rates and benefits for laborers and mechanics (Davis Bacon Act) and/or service employees (e.g., drilling and survey crews, clerks, CADD operators, photographers and laboratory technicians) subject to the Service Contract Act must be at least equal to those in the appropriate Department of Labor wage determination.

The Department of Labor publishes construction minimum wage determinations on the XWeb. The wage rates are generally effective for a period of one year. The wage rates are divided into 'residential', 'building', 'highway' and 'heavy', which are clearly defined on the web site. The Davis Bacon Act may apply to District projects.

**Overhead.** Overhead costs (also called indirect costs) include overhead on direct labor and general and administrative overhead. The District estimate will usually be developed using a single overhead factor (combining overhead on direct labor with general and administrative overhead, expressed as a percentage of the total direct labor costs).

The District estimate may be prepared using separate overhead rates for the prime contractor and primary subcontractors if considered reasonable and typical for the type of work.

**Travel.** All travel requirements must comply with Chapter 112, Florida Statutes and the District's Travel Policy (14.500). Travel

requirements are determined from analysis of the Statement of Work for tasks such as field investigation and meetings, based on the location of the firm. Typical travel costs include rental cars, company car mileage (restricted to \$.29 per mile), airfare, parking fees and per diem expenses.

The labor of personnel when traveling will be included in the direct labor portion of the District estimate. The unit cost and quantity of each travel item will be identified. Hotel costs can be estimated at \$81 per night (Radisson District contracted rate). Meals are limited to the District's statutory amount of \$21.00 per day.

**Other Direct Costs.** Include all other necessary direct costs not included in direct labor and travel and not ordinarily included in the overhead of a CCNA firm. Commercial quotes from suppliers are usually available for these items. Typical costs included in this category include: reproduction of documents for District review, supplies, photos, models, colorboards, renderings, long distance communications, laboratory tests, computer use and postage.

**Profit.** Profit rates will be applied to all costs (direct labor, overhead, travel and other direct costs) to estimate the dollar amount of the profit factor. The District estimate must avoid structuring profit on profit, i.e., if there are subcontractors, the estimated costs (without profit) for the prime contractor and the subcontractors will be added to give the total cost base for applying the profit rate.

**Liquidated Damages.** Liquidated damages provide an agreed upon method of calculating the injury that is expected to be suffered by the District for delayed completion. The District assesses liquidated damages from the contractor after the expiration date of the contract. When funds withheld for liquidated damages are added to retainage amounts, the District has substantial funds to offset additional costs resulting from a contractor's unexcused delays.

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Courts require that the amount established as liquidated damages for unexcused delays must have a rational basis. If not, the provisions will be regarded as a penalty and be unenforceable. A penalty is a sum that bears no apparent relationship to the injury, but which is chosen by the owner simply to coerce timely performance by the contractor. A liquidated damages clause is deemed a penalty if the amount fixed has the intimidating effect of coercing performance rather than compensating loss.

In order to be enforceable, a liquidated damages provision must have been established under the following conditions:

- The amount of damages must have been difficult to ascertain at the time the contract was signed.
- The amount established as liquidated damages must be a good faith pre-estimate of the damages which might reasonably be expected to accrue from an unexcused delay.

Since it may become necessary to demonstrate that the daily amount of damages is not a penalty, but, instead, a reasonable forecast of the owner's losses before the contract was signed, the following checklist will assist the Project Manager in estimating the amount of liquidated damages for the project. The items listed below may also provide the basis of documentation should the amount be challenged later in court.

- *Professional Fees*
  - Designers
  - Inspectors
  - Attorneys
  - Construction Managers
  - Consultants
- *Additional Operating Costs*
  - Increased operating expenses
  - Decreased staff labor productivity
  - Extended security costs
  - Maintenance/protection costs
  - Extended equipment rentals
  - Additional moving expenses

- Extended owner construction facilities
- Increased project communication costs
- Extended owner project management staff costs

➤ *Revenue Losses*

- Lost rental value
- Lost profits
- Lost revenue
- Lost window of opportunity

➤ *Replacement Facilities Costs*

- Rent
- Holdover penalties
- Storage costs

➤ *Financing Costs*

- Higher interest rates - construction loan
- Extended duration of construction loan
- Increased interest costs for permanent loan
- Lost interest revenue on invested funds

➤ *Miscellaneous*

- Public inconvenience costs
- Court-ordered fines
- Extended permit costs

**Bonds.** Before release of the solicitation, the Contract Specialist must establish that bonds are required and in what amount. For all construction projects over \$200,000, the contractor shall furnish a:

(a) *Performance Bond* for the protection of the District. The amount of the performance bond is 100% of the original contract price.

(b) *Payment Bond* for the protection of persons supplying labor and materials in the performance of the work (1st tier subcontractors and material suppliers and 2nd tier subcontractors and suppliers). The amount of the payment bond must equal 100% of the original contract price.

(c) A *Bid Bond Guarantee* is required to protect the District from loss should the successful bidder fail to execute further the contract

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documents which include the performance and payment bonds.

**Solicitation Requirements.** Where applicable for construction bids, the Request for Bids (RFB) shall include, but not be limited to, the following information in addition to the requirements set forth in Chapter 4-3 of this Manual:

- A specific description and exact location of the construction and the date and time for the bidder to visit the job site when the solicitation requires a mandatory pre-bid visit to and examination of the job site.
- A reference to all applicable documents that will subsequently become a part of the contract, including the specifications and the terms and conditions.
- A statement that the bidder will be required to meet all licensing or permit requirements for construction performance.
- A statement of instructions relative to the return of bid documents if the bidder elects not to submit a bid in response to the RFB and notification to the District of the bidder declining to bid.
- A statement that all bid documents must be returned to the District upon request.
- The form in which the bid is to be submitted (either specified in the RFB or referenced as part of the specifications or attached forms).
- A statement that the bidder will be required to comply with all federal, state and local labor laws and regulations.
- For all construction contracts or purchase orders exceeding \$100,000 in value, a notice that the bid must be accompanied by a Bid Bond or Cashier's check equal to five percent (5%) of the base bid amount. All bonding companies must be listed in the *Federal Register, Department of the Treasury Fiscal Service, Companies Holding Certificates of Authority as*

*Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies.*

- For all construction contracts exceeding \$200,000 in value, a notice that the firm awarded a contract must supply both performance and payment bonds (or Cashier's checks) each equal to one hundred percent (100%) of the base bid amount. All bonding companies must be listed in the *Federal Register, Department of the Treasury Fiscal Service, Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies.*

#### ❖ Award Phase

**Contract Preparation and Award.** A *Notice of Apparent Low Bidder* letter is released following the responsiveness and responsibility review to the successful bidder. The notice must:

- Identify the Request for Bids.
- Identify the contractor's bid.
- State/confirm the award price.
- Advise the contractor that any required insurance certificate, payment and performance bonds must be promptly executed and returned to Procurement.
- Specify the date of the commencement of work or advise that a notice to proceed will be issued.
- Include contract number, if different from RFB number, and project title.
- Specify the need and timeline for obtaining the list of subcontractors.

Upon receipt of the payment and performance bonds, Risk Management will review the documentation. If approved, the Contract Specialist will proceed to contract award. The final award document will be forwarded to the contractor for review and execution prior to Governing Board approval. Governing Board approval is required for all construction contracts over \$100,000 and over \$300,000 for ECP contracts. Upon full execution by the District, funds will be encumbered by the Contract Specialist for the fiscal year.

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# CONSTRUCTION AND DESIGN-BUILD CONTRACTING

### ❖ Post Award Phase

Pre-Construction Conference. A post award orientation conference aids both the District and the contractor to achieve a clear and mutual understanding of all contract requirements and to identify and resolve potential problems. It is also helpful in assisting small and minority owned businesses. The contractor shall require any or all of the subcontractors and suppliers to attend the conference, as the District requests. The Procurement representative shall chair the conference.

The conference is not to be used as a substitute for the contractor's full understanding of the work requirements at the time the bid was initially submitted nor is the conference to be used to alter the final award agreement.

Maximum benefits will be realized if the conference is conducted promptly after award, assuming the following information has been obtained:

- Payment and performance bonds.
- Insurance certificate.
- Initial construction progress chart.
- Schedule of prices.
- Listing of subcontractors.
- Safety program plan.
- Environmental protection plan (if applicable).
- Accident prevention plan (if applicable).

Topics of discussion at the pre-construction conference may include (1) District and contractor assigned personnel, roles and authorities; (2) insurance – policies for the prime and subcontractors; (3) correspondence; (4) schedule of prices; (5) liquidated damages; (6) payments; (7) contractor quality control; (8) progress schedules; (9) permits; (10) material expediting and handling; (11) laboratory testing procedures and approvals, if applicable; (12) District inspection (performance evaluation); (13) handling of hazardous waste (if applicable); (14) District furnished property, if applicable; (15) fire protection systems, testing and approval; (16) specialty inspections, if

applicable; (17) safety and safety plan; (18) labor provisions; (19) availability of the site and any special conditions; (20) shop drawings; (21) sample submittals; (22) utilities; (23) value engineering change proposals; (24) time extensions; (25) holidays; (26) modifications to the contract; and (27) accident prevention.

Progress Payments. The principles regarding prompt payment procedures are set forth in Chapter 7 of this Manual. In construction the progress payment is based primarily on the percentage of project completion. The basis for determining the amount of progress payments includes consideration of the following:

- *Progress Schedule.* Percentage of completion and satisfactory progress based on the value of acceptable work from one pay period to the next.
- *Schedule of Prices.* Satisfactory workmanship and materials delivered, either to the site and paid for or stored at other than the construction site. The terms must be specific in the contract.

The following are steps to be followed in order for approval and processing of contract invoices for monthly progress payments within fifteen (15) business days of receipt and acceptance:

- Project Manager/Resident Engineer receives the Application for Payment from the Contractor for payment. The invoice is reviewed for arithmetic errors, consistency with the District estimate in quantities required, omissions or duplications and consistency with the District's estimate of the percentage of completion.
- Project Manager/Resident Engineer prepares the Contract Payment Authorization form, signs the Contract Payment Authorization form certifying that the contract is completed, obtains all required approvals and forwards invoice and all documentation to the Contract Specialist.

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- The Contract Specialist reviews the Contract Payment Authorization and all documentation required for payment:
  - Application for Payment
  - Contractors Affidavit (except first payment)
  - M/WBE Utilization Form
- If retainage is indicated on the form, all documentation is forwarded to Accounting for signature.
- If satisfactory progress has not been achieved, the the Project Manager/Resident Engineer can determine the amount of retainage to withhold. The Contract Specialist may withhold up to ten percent (10%) of the amount of the progress payment until satisfactory progress is demonstrated.
- Retainage can occur because of deficiencies or controversy over the quality of the work, schedule delays, failure to submit progress schedule, labor violations, unsafe conditions, poor administration of the contract, non-payment of subcontractors, liquidated damages for late completion, failure to exert good faith efforts in M/WBE compliance and/or non-submission of operations/maintenance manuals.
- The Contract Specialist signs the Contract Payment Authorization Form
- Once the invoice has been completely signed and approved, it is forwarded to the Procurement receiving technician. The Contract Payment Authorization and all documentation is copied for the contract file.
- After the invoice has been received by Procurement, it is then forwarded to Accounts Payable for payment.
- Project Manager/Resident Engineer receives the Application for Payment from the Contractor for final payment.
- Project Manager/Resident Engineer prepares the Contract Payment Authorization form, signs the Contract Payment Authorization form certifying that the contract is completed, obtains required approvals and forwards invoice and all documentation to the Contract Specialist.
- The Contract Specialist reviews the Contract Payment Authorization and all documentation required for final payment:
  - Application for Payment.
  - Contractors Affidavit.
  - Contractors Affidavit Final Release or Consent of Surety.
  - All Sub-Contractor Final Waiver and Release of Liens (for all subcontractors who submitted a notice to owner or a notice of non-payment).
  - Certificate of Final Acceptance.
  - Final M/WBE Utilization Form.
- Any amounts retained are paid as specified in the contract or, if not specified, thirty (30) days after approval for release by the Contract Specialist.
- The Contract Specialist forwards the Final M/WBE Form to EIC for review and approval.
- The Contract Specialist signs Contract Payment Authorization Form.
- Contract documents forwarded to legal for approval.
- Once the invoice has been completely signed and approved, it is forwarded to Procurement's receiving technician. The Contract Payment Authorization and all documentation is copied for the contract file.

**Final Payment.** Final payment of a construction contract includes the following steps and shall be accomplished within thirty (30) calendar days of receipt and acceptance:

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# CONSTRUCTION AND DESIGN-BUILD CONTRACTING

- After the invoice has been received by Procurement, it is then forwarded to Accounts Payable for payment.

Change Orders/Disputes. A discussion regarding remedies to resolve performance problems is included in Chapter 7 of this Manual.

### **6-6 Construction Management at Risk Contracting**

General. The Construction Management at Risk (CM) contracting process provides for the management, oversight, planning, scheduling, design, construction, start-up services, value engineering, coordination and inspection of the work that may be required by the District to fully perform program management and task related services of the project.

Where a partnership approach is critical to successful project management for large, complex construction requirements, the construction management at risk method can be an effective competitive mechanism to accomplish District objectives.

CM is a “turnkey” approach requiring a single contractor to provide all services required by the District with its own staff or by contracting with others. All such services shall be provided or furnished by qualified persons or entities, properly licensed by the State of Florida where required, selected and paid directly by the CM, who are either under contract with or employed by the CM. Any independent consultant utilized by the CM must be approved in writing in advance by the District, with such approval not be unreasonably delayed, withheld or conditioned. Any “designer” must be a professional engineering firm licensed to do business in the State of Florida.

The CM and its consultants, in collaboration with the District, shall be the “Project Team” and shall work together to execute the District’s objectives under the contract. The CM shall provide leadership to the Project Team on all matters relating to the management, design,

budgeting, construction and start-up services required for implementation of the project. The District will provide guidance to the Project Team on all matters relating to District policies, operations and maintenance, public hearings, meetings and program financing.

Scope of Services. The scope of services covered by the CM can be categorized as:

- *Program Management Services* (overall management and strategic plan and procedures manual for the program, including cash flow schedule, reporting, task and construction schedules and project accounting).
- *Design/Engineering and Pre-Construction Services* (planning, design, permitting, value engineering, funding resources and assessment analyses, public meetings and preparation of the guaranteed maximum price for the work and other services agreed upon).
- *Construction Services* (labor, material, services, inspections and engineering services during construction as described in the approved construction documents).

### Competitive Procedures

The CM at Risk competition utilizes the CCNA RFP solicitation process and evaluation procedures as discussed in Chapters 3, 4 and 5.

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## CONTRACT ADMINISTRATION AND MANAGEMENT

### 7-1 Principles

All District contracts and agreements will be proactively managed to ensure the timely delivery of quality products and services. All firms and organizations awarded contracts or agreements by the District will be treated fairly and professionally.

The administration and management of contract awards is a team effort at the District, including the Contract Specialist, Project Manager and Equity in Contracting representative, with input as needed from the Office of Counsel, Budget and Risk Management.

The official contract file will be retained in the Procurement Department.

### 7-2 Responsibilities

The primary functions for District staff in the post-award administration and management of contracts and other agreements include the following:

- Monitoring the contractor's performance (including site visits), ensuring compliance with the contractual terms and conditions and enforcing the responsibility of the firm for the quality of its work.
- Ensuring the firm has an adequate quality control process and reviewing the deliverables for conformance with the technical requirements of the contract.
- Maintaining communications with the firm and promptly resolving any questions and issues that may arise.
- Providing required District furnished information and materials and arranging access to work areas.
- Paying the firm in a timely manner for satisfactorily completed work.

- Modifying the contract as required to accommodate changes in requirements.
- Evaluating the firm's performance. More detail will be provided in Chapter 8, *Performance Evaluation*.
- Closing out the contract.

The Project Manager, in conjunction with the Procurement representative, plays a key role in ensuring that contractor performance occurs as planned and that the deliverable product or service performs as specified.

It is essential that the Project Manager and Procurement representative schedule a "kick-off" meeting with the prime contractor and all subcontractors at the start of the contract period to clearly define the technical requirements and contractual obligations of the award.

A thorough understanding of the roles of each party to the contract is essential to ensure that communication flows freely so that the interests of all parties are served equitably.

### 7-3 Modifications

Definition. A modification is defined as a "written alternation to any contract provision of an existing contract which affects the Statement of Work/Specifications, delivery point, delivery schedule, period of contract performance, price or quantity."

A modification is, therefore, the vehicle by which the contract or purchase order is formally changed. All modifications to standard District contracts are entitled 'amendments'. Modifications to construction contracts are identified as 'change orders'.

Overview. One of the most difficult tasks for prime contractors, subcontractors and the District in the post-award management of the contract involves the following:



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- Identification of the need for modification to the contract
- Impact assessment of the change
- Implementation of the change
- Resolution of changes and any resulting claims

Even with the significant amount of time invested in reaching agreed-upon terms and conditions of a contract, the need for revisions often result once the work is in progress. It is important to note that there is no such thing as a "no-cost" change to the contract, unless strictly administrative in nature.

The most prevalent reasons for contract modifications include the following:

*(a) Technological advancements.* The District executes a contract based on the technology available at the time of award. Since most District contracts are multi-year awards, improvements are often made in the "state of the art" before the contract is scheduled for completion. The parties to the contract agree, by modifying the contract, to take advantage of the new technology.

*(b) Urgency of requirement.* The District may need to 'reorder' the completion of tasks in a contract based on legislative requirements or direction from the Governing Board to obtain information in a short period of time. Because of the urgency of the requirement, 'gaps' or delays may occur in completing other aspects of the contract. If they become significant, the contract may need to be modified accordingly.

*(c) Compliance with technical or administrative aspects of the contract.* During contract performance, the District and the contractor may have different interpretations or expectations regarding the scope requirements. The contract may need to be modified to more clearly define certain aspects of the scope or to re-prioritize certain work requirements.

*(d) Unforeseeable delays in task completion.* The District may need to adjust the deliverable completion date because of conditions that are

beyond the control of the contractor or the District, including unusually severe weather, 'acts of God' or other unforeseen circumstances that cause slippage in the project schedule.

*(e) End product differs from anticipated result.*

The contract may require the development of a product (e.g., model) that is experimental or previously untested. The District may need to modify the contract to adjust technical requirements after the initial product has been developed in order to meet project objectives.

*(f) Renewals.* Renewals are defined as the exercise of previously established option periods in a contract, with substantially unchanged terms and conditions, except for revised quantities or schedules. Pricing for the option period is determined and accepted at the time of the initial award. Renewals require a modification to the contract.

Prior to exercising the renewal option of a contract, the District shall determine, in writing, the following:

- Services are still needed, required or mandated.
- Based on the District's performance evaluation process, the contractor's performance for the prior contract period is determined to be in compliance with contract requirements.
- Funds are available for the renewal period.
- Prices set forth in the contract are still fair and reasonable.
- Renewal of the contract with the existing contractor is in the best interest of the District.
- Renewal terms and conditions are substantially the same as the original contract.

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(g) *Unilateral and Bilateral Actions.* A modification can be the result of a unilateral or a bilateral action.

A unilateral modification can only be issued by the District. By acceptance of the contract, the contractor has agreed to accept unilateral modifications which include minor changes that are within the general scope of the contract (no cost impact) and are primarily administrative in nature. The contractor may not refuse to perform unless the change represents work that is outside the general scope of the contract.

If the change is considered 'outside' the scope of the contract, it is termed a "cardinal" change and the contractor can refuse to accept it without a executing a modification that is signed by both parties.

A bilateral modification is executed when both parties to the contract agree on the change. Bilateral modifications represent the majority of all modifications to contracts. Any changes to compensation levels in a contract must be bilateral.

(h) *Assignments.* An assignment will require a modification to the contract. The Contract Specialist must perform a 'responsibility' review for the new contractor in accordance with the procedures set forth in Chapter 5 of this Manual.

#### 7-4 Resolving Performance Problems

Overview. Effective communication between the District, prime contractor and subcontractor(s) and other agency representatives (if applicable) is the key to successful contract performance and project implementation. Good project management includes the coordination of cost, scheduling and technical support issues to comply with the contract objectives.

Meetings between the contract team members and the District as well as frequent site visits will enhance this communication effort and will provide a means of taking positive action to resolve contract issues before major problems

arise. The concept of partnering, discussed in more detail in Chapter 6, *Construction and Design Build Contracting*, is key to the development and sustainment of a relationship that promotes early resolution of problems and the achievement of mutually beneficial goals. The following guidelines will assist Project Managers in obtaining the maximum results from team meetings:

- Ensure that the requirement for meetings is clearly identified in the contract. This includes, but is not limited to specific times, dates and attendees.
- Require an advance agenda and forward it to all participants for review, coordination and input before the meeting.
- Never add subjects to the agenda. Attendees will not be prepared to participate effectively in discussions. Instead, set up supplemental meetings. This task can save time and increase productivity.
- Ensure attendance of all critical members (prime and subcontractors). This supports the 'team' concept and is the most effective way of responding to any questions or concerns.
- Prepare and distribute a complete set of minutes (with action items clearly identified) before the review is concluded. This can save time in the long run.
- Work out all issues in contract performance with the prime contractor.

#### Remedies for Unresolved Performance Problems

In the event that performance problems are not resolved, the District has several options:

- Stop Work Order
- Termination for Default
- Termination for Convenience

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In such case, the terms/conditions of the individual contract should be evaluated in order to address the contractor's performance issues and determine the proper course of action.

**Retroactive Changes.** The rationale for commencing work prior to the execution of an amendment or change order is often based upon the 'emergency' nature of such work or the potential loss or interruption of service.

The purpose, however, of the modification is to ensure that there is a 'meeting of the minds' as to the goals of the transaction prior to its performance. Without prior execution, the risk of unsatisfactory or even fraudulent performance is greatly increased and seriously detracts from the District's ability to safeguard its interests and meet its goals of public accountability and sound business practice.

In order to promote better planning and closer monitoring of contracts, all retroactive amendments and change orders must be justified in writing and approved internally before the modification may be processed.

Retroactive actions require a memo that must be signed by the Department Director explaining the circumstances and justifying the need for this action through the Division Director to the Deputy Executive Director. Upon approval of the Deputy Executive Director, all actions scheduled for the Governing Board must include retroactive language in the Contract Justification Summary Sheet (CJSS).

#### **7-5 Issuance of Contract Modifications**

District staff may request the issuance of an amendment or change order by entering a record into ICMS (Communication Form) to amend the initial contract, attaching (page 2 of the Communication Form) a revised Statement of Work, if applicable and clicking the 'alert' (page 5 of the Communication Form) to provide notice that the transaction is ready for review. If additional funding is required, District staff also shall enter a requisition approved by the

initiating unit into LGFS and shall complete page 3 of the Communication Form, ICMS.

Upon receipt of the 'alert' in ICMS, Procurement and other District support groups (Office of Counsel, Equity in Contracting and Budget) will review all changes to the Statement of Work and any other proposed revisions to the contract terms and conditions. The Project Manager will address all questions or concerns from each of the support groups.

For all types of modifications (changes to scope requirements, time extensions with or without additional funds or increase to funding levels), the Project Manager must forward a memorandum to the Contract Specialist outlining the reasons for the modification to the original contract. A breakout of all additional costs must accompany the memorandum. Negotiations, as appropriate, will be conducted with the contractor by the Contract Specialist and Project Manager.

The Contract Specialist will review any proposed changes to the scope requirements to determine whether the revisions are within the parameters of the original Statement of Work. If Procurement determines that the proposed changes represent a cardinal change to the contract, Procurement will consult with the Project Manager to decide the best approach, i.e., to utilize a Waiver of Competition or new solicitation for the proposed work.

All time extensions over 90 days require Governing Board approval. Governing Board approval for increases or reductions to initial contract amounts are set forth in District Procurement No. 07.100, attached hereto as Appendix E.

#### **7-6 Prompt Payment**

It is the policy of the District to process contract payments efficiently and expeditiously so as to ensure payment in a timely manner to firms and organizations that do business with the District.

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The following prompt payment procedures apply to all District contracts and/or agreements except for *Construction and Design-Build* contracts, which are covered in Chapter 6 of this Manual.

Standards. The District shall pay the full amount of the contractor's invoice within fifteen (15) business days following District receipt of invoice and acceptance of services and/or deliverables.

All approved invoices shall be paid promptly upon submission to Accounts Payable, i.e., no invoices shall be withheld for payment until the required payment date of 15 business days if approved and submitted for payment within this 15 business day period. District staff shall comply with the timelines set by Accounts Payable for receipt of approved invoices prior to designated payment dates.

Unless stated otherwise in the contract, the District shall not make advance payments prior to receipt and acceptance of the services or deliverables, nor shall the District pay for any obligation or expenditure made by the contractor prior to the commencement date of the contract.

The District also reserves the right to accept early payment discounts, if offered by the contractor and clearly indicated on the invoice. The invoice must include the percentage of discount and time period for which the discount is valid.

District contracts shall require prime contractors to pay subcontractors and/or suppliers within five (5) business days of payment receipt by the District.

Standard invoice formats and instructions will be available via the District's XWEB. While standard invoice forms are not mandatory, the District will include the appropriate invoice form as an exhibit in each contract for the purpose of expediting payment requests to the District.

The District shall initiate payment by electronic funds transfer as a standard payment procedure upon implementation of the District's updated Management Integrated System (MIS).

#### Frequency of Contractor Invoicing

*(a) Performance-Based Payments.* The majority of District contracts require the contractor to submit payments on a completion of deliverable basis, pursuant to the Payment and Deliverable schedule attached to the contract.

*(b) Monthly Payment Cycle.* When the payment schedule set forth in the contract does not specify payment on a completion of deliverable basis, District contractors shall submit invoices on a monthly basis (or more frequently if in the District's best interest) and shall provide detailed documentation to justify the number of hours expended by each individual and expenses incurred within the not-to-exceed budget including, but not limited to, copies of approved timesheets, indirect charges, payment vouchers, expense reports, receipts and subcontractor invoices. All travel related expenditures must adhere to statutory limitations.

*(c) Recurring payments.* District contracts may specify payment at predetermined intervals without requiring the submission of an invoice from the contractor. Examples include District leases whereby payment is made by means of a recurring payment voucher form that is forwarded by Procurement to Accounts Payable on a monthly basis.

Invoice Processing Procedures. The contractor shall prepare and submit original invoices to the designated billing address specified on the cover page of the contract to initiate payment. All invoices shall include the District's contract number and work order, amendment or change order number (if applicable) for easy reference.

All invoices should include the following information:

- Name and address of contractor
- Invoice number and date
- Contract number

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- Description of work or services performed
- Delivery and payment terms (e.g., discount terms)
- Name and address of contractor official to whom payment must be sent (as specified in the contract or in an approved notice of assignment)
- Name, telephone number and mailing address of individual to be notified in the event of a defective invoice
- Any other information or documentation required by the contract

Upon receipt, Procurement support staff shall date and time stamp each invoice, which shall be forwarded to the appropriate Contract Specialist to conduct a review for contract compliance and supporting documentation, if required.

Except for invoices submitted under 'Time and Materials' contracts and ECP contracts, the Contract Specialist shall review invoices within five (5) business days of receipt. The Contract Specialist will discuss any discrepancies between the invoice and the contract terms and conditions with the contractor and Project Manager within this timeline. All invoices that are not acceptable based on this initial review shall be returned to the contractor for resubmission. All reasons for rejection must be noted on the invoice.

Invoices accepted for review shall be forwarded to the Procurement receiving technician to prepare a Contract Payment Authorization (CPA) form. The Procurement receiving technician shall complete the CPA form with the appropriate budget line information for payment, make a copy of the CPA form and invoice data for the contract file and forward the CPA form with the original invoice to the appropriate Project Manager for the technical compliance review.

The Project Manager will be responsible for ensuring the work was authorized, the invoice is properly prepared (itemization of time expended by each individual, of hourly rates and of the description of the work performed), costs are

authorized, all receipts for reimbursable expenses are attached and within statutory limitations (including travel authorizations and travel expense vouchers) and that all other expenses billed are consistent with the terms of the contract.

The Contract Specialist will ensure that charges are correct and are consistent with the contract terms. For construction contracts, the Contract Specialist will also ensure that the invoices are accompanied by the appropriate releases as required by the contract documents.

All discrepancies regarding adequate funding levels and/or the accuracy of the appropriate budget line(s) set forth for payment shall be determined by the Project Manager in conjunction with the Budget Office.

Upon acceptance of the deliverables and/or services required by the contract and properly invoiced, the Project Manager shall sign the CPA indicating technical compliance. If the total invoice amount exceeds \$10,000, the CPA form will also require signature by the Department Director. If the invoice exceeds \$100,000, Division level approval is required. All invoices over \$250,000 require signature by the appropriate Deputy Executive Director.

After obtaining all required signatures, as applicable, the Project Manager shall forward the CPA form to the Contract Specialist for final compliance check and review of any comments and/or changes made to the CPA form by project management. Upon approval of the invoice, the Contract Specialist will forward the invoice to the Procurement receiving technician for processing (see File Documentation).

Accounts Payable will issue payments only from original invoices, except for facsimile or photocopies signed by the Contract Specialist, which verify that the document can be used in lieu of the original copy. Checks are issued on Fridays and shall be mailed to all payees, except for special requests approved by the Director of Finance. Invoices must be received in Accounts Payable no later than 12:00 noon on the

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Wednesday of the week scheduled for Friday payment.

It is the responsibility of the Project Manager and the Contract Specialist to ensure that approved invoices are received in Accounts Payable on a timely basis to meet the payment terms of the contract. Payment discounts should be clearly noted on the CPA form. Accounts Payable shall issue payments at the next scheduled pay date upon receipt of all fully approved invoices.

**File Documentation.** The Procurement receiving technician will maintain the status of all invoices received and routed to the Project Manager for review and signature. Upon receipt of the fully approved CPA form, the Procurement receiving technician will process the receivable(s) in LGFS, copy the CPA form and all supporting documentation, update the payment briefing form and forward the original paperwork to Accounts Payable for processing payment, with a copy to the Project Manager.

#### **7-7 Subcontract Reporting**

The contractor shall submit to the Contract Specialist a Minority Business Utilization Report with each invoice submitted for payment under the contract. The Procurement receiving technician shall ensure that a copy of the utilization report is forwarded to Equity in Contracting. The Equity in Contracting Office will address any questions/issues with the Project Manager.

The contractor shall submit the final M/WBE Utilization Report with the request for final payment. Any questions shall be resolved with the Project Manager.

#### **7-8 Contract Closeout Process**

The closeout of a contract is the process by which an award is transferred from active to inactive status by performing the necessary administrative actions to ensure that:

- All services under the award have been completed and/or deliverables have been received and accepted by District units.
- All contractual obligations have been met.
- All option periods, if any, have expired or the District has provided the contractor a notice of complete contract termination.
- No pending actions remain unresolved and that final payment and release of any withholding/retention amount has been authorized.
- Performance evaluations have been completed by the Project Manager and forwarded to the Contract Specialist.
- The Contract Specialist has reviewed the contract for administrative compliance, including insurance and report compliance and timeliness of contract completion.
- Upon completion of review and signature by the Contract Specialist on the closeout form, the Contract Specialist has forwarded the final paperwork to the Contract Manager for final review and signature.
- If acceptable, the Contract Manager has signed the cover sheet of the closeout form. The Contract Specialist has forwarded the form to the receiving technician for final processing.
- Procurement's receiving technician has verified in LGFS that all invoices have been paid on the contract and that any remaining funds have been disencumbered.
- Procurement's receiving technician has forwarded the final M/WBE Utilization Report, if applicable, to Equity in Contracting for review, acceptance and file updating.
- All issues have been resolved and Procurement's receiving technician has completed the closeout process, maintained

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a copy of the evaluation form in Procurement's past performance record database and prepared the file for storage.

All District contracts must be closed out promptly after satisfactory completion and delivery of all required services and products. A contract file shall not be closed if:

- Contract is in litigation.
- For termination proceedings, all termination actions have not been completed.

In the case of a construction project, the design contract should remain open to readily accommodate potential changes that are often required during the construction period that cannot be definitively anticipated or priced when the contract is awarded (or even when the design is completed).

The scope of the design contract should include a statement that additional work is contemplated (list the types of possible services) during the construction period and may be added pursuant to a necessary 'change' and modification to the contract.

For construction projects, the following additional actions are required:

- All claims have been resolved.
- Final performance evaluations prepared, submitted and distributed.
- District furnished materials have been returned.
- Contractor's Affidavit/Release of Claims executed.

## **DRAFT CHAPTER 8 PERFORMANCE EVALUATION**

### **8-1 Principles**

Accurate and timely performance evaluations support the District objective of continuously improving the quality of contractual services.

The performance of all firms contracting with the District shall be evaluated fairly and objectively. District firms shall be kept apprised of the quality of their work throughout contract performance and upon their request, shall promptly be sent copies of completed performance evaluations.

Performance evaluations shall conform to the requirements of the contract, including but not limited to quality of performance, timeliness of performance, fiscal administration and accountability and overall performance.

While contractors may provide comments for all “marginal” or “unsatisfactory” performance ratings, all performance ratings are ultimately the decision of the District. The completed evaluation is available to the contractor upon written request pursuant to Chapter 119, Florida Statutes.

In monitoring and evaluating a contractor’s performance, the District retains the right to find a contractor in either breach or default under the contract without a prior cure or show cause notice being issued. The District’s ability to terminate a contractor shall be dictated by the terms and conditions of the contract. However, to assist the District in acting on these determinations, the notices and documented performance evaluations should be generated.

### **8-2 Policy**

For each contract in excess of \$50,000, the Project Manager shall prepare a fully documented evaluation of contractor performance at the time of work completion under the contract.

In addition, the District shall prepare an interim evaluation of contractor performance when projects are fifty percent (50%) complete for

each contract in excess of \$300,000 with a duration exceeding one (1) year. The interim evaluation will provide current information for source selection purposes. The past performance information shall be retained for source selection information for a period not exceeding three (3) years after completion of contract performance.

### **8-3 General Procedures**

Procurement shall establish qualitative and quantitative performance indicators relating to the contractor’s record for the following:

- Conforming to contract requirements and to standards of good workmanship
- Forecasting and controlling costs
- Adherence to contract schedules
- Project management and administrative aspects of performance
- Cooperation and commitment to customer satisfaction
- Business-like integrity

The District shall maintain a tracking system in ICMS to ensure the timely preparation, approval and distribution of all required evaluations. The Project Manager shall be responsible for monitoring the contractor’s performance on an on-going basis against the standards and performance indicators established by the District.

Evaluations shall be scheduled events in the management plan for the monitoring of performance for each contract over \$300,000.

Preparation of Evaluations. Project Managers shall devote a sufficient effort to performance evaluations to ensure that thorough and fair evaluations are completed in a timely manner.

Performance evaluations shall be prepared on the District’s “Interim” or “Final” Evaluation Form located on the IWeb.

Performance evaluations for contracts over \$300,000 (except for marginal or unsatisfactory) shall be prepared, reviewed and approved within



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### PERFORMANCE EVALUATION

sixty (60) days of the designated evaluation periods set forth in the contract. Additional time will generally be required for evaluations with an overall rating of “marginal” or “unsatisfactory”.

Interim Evaluations. The Project Manager shall be responsible for tracking all interim project evaluation periods. Upon notification to the Contract Specialist, Procurement will release the appropriate evaluation form for completion by the Project Manager. Upon review and approval of the evaluation, if applicable, the Project Manager shall forward the form to the Contract Specialist for input of comments and forwarding to Procurement’s centralized storage and retrieval system.

Final Evaluations. Procurement shall track and release a report to District Divisions within sixty (60) days of the contract expiration date. The Project Manager shall review this report and shall notify the Contract Specialist sufficiently in advance of the end of the contract term to determine whether an existing contract shall be extended, renewed or allowed to expire.

At the time of final closeout, the Project Manager shall complete the evaluation form, obtain approvals, as necessary, and forward to the Contract Specialist for input of any contractual comments. A hard copy of the finalized, approved evaluation form will be maintained in the contract file and in Procurement’s centralized storage and retrieval system.

Assignment of Overall Ratings. The overall rating of a contractor’s performance is based on the performance indicators and attribute matrices. General guidance is provided as follows to promote uniformity in the process.

*(a) Exceptional.* All or almost all of the performance indicators and attributes are rated “exceptional”. No performance indicator or attribute should be “marginal” or “unsatisfactory”.

*(b) Very Good.* A majority of the performance indicators and attributes are rated “exceptional” or “very good”. No significant performance indicator or attribute should be “marginal” or “unsatisfactory”.

*(c) Satisfactory.* No significant performance indicator or attribute should be “unsatisfactory”. The quality of the final work is acceptable in an overall sense. However, it may have been necessary to instruct the firm to correct some unacceptable work.

*(d) Marginal.* One or two significant performance indicators or attributes are rated “unsatisfactory” or all or most performance indicators or attributes are rated “marginal”. An unusual amount of extra effort and follow-up has been required on the part of the District to obtain an acceptable deliverable(s).

*(e) Unsatisfactory.* Several significant performance indicators and attributes are rated “unsatisfactory”. This rating is appropriate for a firm that does not produce acceptable work in spite of extensive effort by the District. This rating is required for all contracts terminated for default.

Remarks. The remarks in the qualitative portion of the evaluation form must support and be compatible with the overall rating. A rating of “marginal” or “unsatisfactory” must be fully explained in the remarks. It is important that the remarks do not reflect or suggest “marginal” work when the overall rating is “satisfactory”.

Templates for the “Interim” and “Final” Evaluation Forms are included in Appendices J and K.

#### **8-4 Monitoring Performance**

The quality of a contractor’s deliverables and services must be adequately documented throughout the performance period of the contract and the contractor must be informed at all times of the quality of its work.

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### PERFORMANCE EVALUATION

Proactive day-to-day oversight of the contract by the Project Manager, including frequent communications, will prevent most performance problems. A detailed discussion of the importance of communication is set forth in Chapter 7-4, *Resolving Performance Problems*.

Appraisals. The Project Manager shall appraise the quality of each deliverable using the performance indicators and attributes that are included in the formal evaluation periods. The appraisals will be supplemented as appropriate with a narrative that supports the rating and will assist the Project Manager and the Department in communications with the contractor on submittal quality. It is particularly important to adequately document any area of unsatisfactory or exceptional performance. These appraisals will constitute the basis for interim and final performance evaluations and shall be retained in the contract files.

Marginal or Unsatisfactory Performance. The contractor must be notified immediately whenever its performance is marginal or unsatisfactory. If performance continues to be marginal or unsatisfactory, the District shall take stronger action to improve the contractor's performance. The following methods, in general order of increasing impact and severity, should be used to document and resolve performance problems.

*(a) Verbal Notice.* The Project Manager must document each conversation with the contractor whenever instructions are provided regarding contract direction or performance. A record of this communication must be maintained and forwarded to the Contract Specialist for review, comment and filing.

*(b) Letter to the Contractor.* The Project Manager shall forward a letter to the contractor whenever problems persist or there are issues that must be resolved in writing. The Project Manager shall cite specific deficiencies and the required corrective action. The Project Manager shall keep the Contract Specialist informed at all times of performance issues and shall forward a copy of all correspondence to Procurement.

*(c) Meeting with the Contractor.* If performance problems continue to persist, the Project Manager shall meet with the contractor to address the concerns. The Contract Specialist should also be invited to attend this meeting. All discussions shall be documented in the contract file.

*(d) Meeting Between the Contractor and the Department.* The contractor will be informed that an interim "marginal" or "unsatisfactory" performance evaluation will be prepared if the performance does not promptly improve. It shall also be noted that this evaluation could affect its selection for other contracts. Documentation of the meeting must be included in the contract file.

Interim Evaluation. An interim evaluation will be prepared by the Project Manager for marginal or unsatisfactory performance.

*(a) Meeting Between the Firm and District Staff.* If contract deficiencies continue, a meeting shall be arranged between the contractor, the Project Manager, Department level staff, the Contract Specialist and Contract Manager. All discussions shall be documented in the contract file.

*(b) Cure Notice.* A formal cure notice shall be prepared by the Contract Specialist, with input and review by the Project Manager and forwarded to the contractor. The cure notice shall cite the specific deficiencies, required corrective actions and suspense date.

*(c) Show Cause Notice.* A show cause notice shall be prepared by the Contract Specialist, with input and review by the Project Manager and forwarded to the contractor notifying the firm of the possibility of termination.

*(d) Final Marginal or Unsatisfactory Evaluation.* The Project Manager shall prepare a final "marginal" or "unsatisfactory" performance evaluation, which shall be reviewed and approved at the Department/Division level. The Contract Specialist shall review the evaluation and utilize

## DRAFT CHAPTER 8

### PERFORMANCE EVALUATION

the information, as necessary and appropriate, in any termination action taken by the District.

*(e) Termination for Default.* A Termination for Default letter shall be prepared by the Contract Specialist, with input and review by the Project Manager and shall be forwarded to the contractor notifying the firm of the termination action. The notice shall always be accompanied by a final “unsatisfactory” performance evaluation by the Project Manager.

#### 8-5 Interim Evaluations

An interim evaluation of contractor performance will be prepared as follows:

- For those projects in excess of \$300,000, which exceed one (1) year in duration and are fifty percent (50%) complete.
- Whenever a contractor’s performance is “marginal” or “unsatisfactory” after reasonable steps have been taken by the District to improve the contractor’s performance.
- At any other appropriate time.

An interim evaluation will monitor on-going contract performance and will update a contractor’s performance record for source selection purposes. The interim evaluation may also be used to encourage improvement in a firm’s work or to put the contractor formally on notice that its performance is inadequate. An interim “marginal” or “unsatisfactory” evaluation provides a very strong basis for a final “marginal” or “unsatisfactory” evaluation if a contractor’s performance does not improve.

The basis for an interim “marginal” or “unsatisfactory” evaluation must be well documented. In any interim “marginal” or “unsatisfactory” evaluation, a summary of the actions taken by the contractor to remedy the deficiencies must be recorded in the ‘remarks’ section of the final evaluation.

#### 8-6 Evaluation After Completion of Design or Engineering Services

General. A final evaluation will be prepared for each design contract exceeding \$25,000.00 (CCNA). For engineering services not directly related to design, the evaluation shall be prepared after acceptance of the deliverables. For design services, the evaluation shall be prepared after the construction bid opening, provided the bid opening is scheduled to occur within three (3) months of design completion. Otherwise, the evaluation will be prepared after completion of the design.

Preparation. The final performance evaluation will be based on the appraisals prepared by the Project Manager and any other technical reviewers as well as any interim evaluations.

Contract Termination. A performance evaluation shall be prepared for each contract terminated for any reason prior to the completion of the work if the value of services completed at termination exceeds \$25,000.00 or if the contract was terminated for default.

#### 8-7 Evaluation After Construction Completion

General. An evaluation shall be prepared after substantial physical completion of each construction project based on a CCNA design professional, where the price of the design services exceeds \$25,000.00.

Preparation. During construction, the District’s resident engineer is responsible for assessing the accuracy and completeness of the design firm’s work and its responsiveness in resolving design problems that arise during construction. Sufficient documentation will be maintained by the resident engineer to support the construction evaluation. Use of the performance indicators and attributes can assist in documenting performance during construction and in communicating with the design firm on design problems. The resident engineer will coordinate the evaluation with the design Project Manager.

## **DRAFT CHAPTER 8 PERFORMANCE EVALUATION**

The resident engineer will prepare the construction evaluation, assign the overall rating and sign the form as the rating official. The evaluation, with any supporting documentation, will be forwarded to the Director of the Construction Department.

The Construction Department will promptly review and approve the construction evaluation. No changes will be made in the construction evaluation without the concurrence of the resident engineer and the Project Manager.

Any significant differences in assessment between the design and construction evaluations will be resolved. This may require reevaluation of some aspects of the design by the personnel who reviewed the design firm's work during the design phase. Any questions should be addressed with the resident engineer and the construction file will be reviewed, if necessary. All changes must be documented in the 'remarks' section giving the reason for the change.

Original signed copies of each interim and final performance evaluation shall be placed in the contract file.



## **DRAFT CHAPTER 9 PROTESTS**

### **9-1 Purpose**

A protest is the legal process available to parties who have a substantial interest in and are adversely affected by the District's decision or intended decision concerning its procurement process. All protests to the District's procurement process are driven strictly by statute and rule.

The procurement process includes, but is not limited to, Request for Bids (RFB), Request for Proposals (RFP), sole source procurements, waivers of competition, competitive award decisions or approval to enter into negotiations.

"Decision" or "intended decision" may be defined as:

- Contents of an RFB, RFP or other specifications, including addenda.
- Determination that District requirements can only be met through sole source procurement.
- Determination that District requirements can only be met through a waiver of competition.
- Posting of the District's *Notice of Intent to Award*.
- Posting of the District's *Notice of Intent to Enter into Negotiations*.
- Rejection of an individual bid or proposal.
- Rejection of all bids or proposals.

### **9-2 Filing of Protest**

Notice of protest may be filed under the following circumstances:

- All solicitations released by the District shall provide a notice of the prospective respondent's right to protest, in writing, any provisions of the specifications or Statement of Work contained in the RFB or RFP within 72 hours of receipt of the RFB or RFP.
- A contractor's receipt of a solicitation is the first of two points of entry into the protest

process. A protest at this time is commonly referred to as a "Bid Spec" challenge.

- The second point of entry into the protest process occurs when the District provides notice of its decision to award a contract resulting from a (1) solicitation, (2) sole source or (3) waiver of competition. All solicitations also contain a notice that the respondent has a right to protest the District's decision within 72 hours of official posting.
- After filing a Notice of Protest, in accordance with District policy, the protester is afforded an opportunity to meet informally with District staff in an attempt to resolve the protest issues prior to filing a formal written protest.
- The formal written protest must be filed within ten (10) days after the date the notice of protest is filed.
- Any respondent who files a formal written protest pursuant to Chapter 28-110, Florida Administrative Code and Section 120.57(3), Florida Statutes, shall post with the District at the time of filing the formal written protest, a bond pursuant to Section 287.042(2)(c), Florida Statutes.
- Failure to file a notice of protest or failure to file a formal written protest along with the submission of the appropriate protest bond or other security as required by law within the time prescribed in Chapter 28-110, Florida Administrative Code and Section 120.57(3), Florida Statutes, shall constitute a waiver of proceedings under Chapter 120, Florida Statutes. All notices of protest and formal written protests along with the appropriate bond or other security must be timely filed with the District clerk.

### **9-3 Formal Written Protest**

Upon receipt of a formal written protest that is timely filed and meets all other procedural requirements, all activities relating to the

## **DRAFT CHAPTER 9 PROTESTS**

solicitation process shall cease until the protest is resolved, unless, pursuant to statute, the Governing Board determines that the process should continue to avoid an immediate and serious danger to the public health, safety and welfare.

*Bid/Proposal Protest Procedure* and included in Appendix I.

- The formal written protest shall state the facts and law upon which the protest is based and shall contain the following:
  - Name, address of person or firm filing the protest and an explanation of how they are adversely affected by the District decision or intended decision.
  - Statement of how and when the notice of District decision or intended decision was received.
  - Statement of all issues of disputed material fact, and if none, so indicate.
  - Concise statement of ultimate facts alleged and regulations or statutes which entitle the petitioner to seek relief.
  - A demand for relief.
  - Any other information material to the protest.

Pursuant to Section 120.57(3)(d)1, Florida Statutes, the protester is again provided an opportunity to meet with District staff to resolve the protest by mutual agreement within 7 business days of receipt of the formal written protest. This meeting allows the protester an opportunity to meet with the Executive Director or his designee.

If not resolved by mutual agreement, a formal written protest that complies with all applicable rules and statutes will be forwarded to the Department of Administrative Hearings (DOAH). For a detailed outline of the procedures to be followed from the inception of a bid protest, please refer to the Office of Counsel Procedure, as detailed in the flowchart

# **DRAFT CHAPTER 10**

## **EXCEPTIONS TO COMPETITIVE PROCUREMENT STANDARDS**

### **10-1 Principles**

Procurement Policy 07.100 allows for certain exceptions to the Standards for Competition that govern District general procurement (expenditure) transactions based on Chapter 287, Florida Statutes.

These exceptions to full and open competition may result from the need to obtain products or services for which competitive opportunities may be limited in the marketplace, the need for special expertise, operational continuity or equipment compatability or the need for services from professions or businesses that are exempted from competition by law or custom.

District exceptions to competition are categorized as follows:

- Special Procurements
- Emergency Procurements
- Waivers of Competition
- Sole Source Procurements
- Justifications for Cooperative Agreements with Universities

### **10-2 Special Procurements**

Special procurements enable District staff to obtain goods and services from governmental entities and other businesses that are subject to differing competitive standards, including some that are prohibited by law from competing. All services over \$50,000 require Governing Board approval.

➤ Contracts or purchase orders for goods or services may be awarded without competition based on the following established agreements:

- State of Florida contracts (e.g., State Negotiated Agreement Price Schedule), General Services Administration schedules or other governmental procurement contracts.

These agreements serve as cooperative purchasing or contracting arrangements with public entities/inter-governmental agencies.

The District may participate in, sponsor, conduct or administer a cooperative purchasing/contracting agreement for the procurement of goods, services or construction with one or more of these organizations.

Use of these contracts and/or schedules by the District is based on the fact that competition has already taken place and that current rates/pricing are considered fair and reasonable.

➤ Contracts or purchase orders may be awarded without competition for the following specialized services:

- Legal services involving expert witnesses, outside counsel, court reporting services, mediators, arbitrators and dispute resolution services.
- An RFI is released on an annual basis to update the list of firms and areas of expertise available for use by the Office of Counsel.

- Health services including examination, diagnosis, treatment, prevention, medial consultation or administration.

- Artistic services or lecturers

- Real estate title and appraisal services

➤ Contracts or purchase orders may be awarded, without competition, when the following conditions are met:

- Licensing, maintenance and service agreements – if there are warranty requirements or compatibility requirements that limit selection to the manufacturer.

- Office space leases (under 3,000 sq.ft.) For District office space leases involving 3,000 square feet or more, the general standards for competition apply.



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### EXCEPTIONS TO COMPETITIVE PROCUREMENT STANDARDS

- Training services or organizational development services – if more than one firm or individual can provide comparable services, the general standards for competition apply.
- Cooperative Agreements may be awarded, without competition, to the following entities as described below:
  - Not-for-profit groups (if more than one firm can provide comparable services, the general standards for competition apply)
  - Inter-agency governmental institutions (federal or state agencies)
  - Local governmental institutions (county or city governmental agencies)

Cooperative projects generally involve studies, research or public outreach activities. The nature of the cooperative relationship and sharing of technical data will serve to benefit and promote the goals of each agency while meeting public policy objectives. When the work involves federal or state agencies, the projects may be mandated by legislation.

Cooperative agreements may involve cost sharing, either through actual funding contributions or in-kind services (staff time, equipment, facilities). Any cost-sharing contribution must be identified for each party, whether as cash or in-kind services.

For each cooperative agreement, the contract file must include a budget breakdown delineating labor hour cost estimates by position, equipment, laboratory, hardware and software requirements, travel and all other anticipated costs, including cost-sharing contributions as appropriate.

Another type of cooperative agreement is a Memorandum of Understanding (MOU) or Memorandum of Agreement (MOA).

These agreements are executed between the District and interagency governmental institutions (federal or state agencies) or local governmental institutions (county or city governmental agencies) to cover mutually beneficial broad programmatic objectives for individual projects that will be funded by either or both parties in separately executed agreements. Examples include an MOA with Miami-Dade Department of Environmental Resources Management for use of legislated SWIM funds and an MOU with the U.S. Army Corps of Engineers, WES for cooperative research programs focused on evaluation and restoration of South Florida aquatic ecosystems.

No funding is provided in either an MOU or MOA for expenditures relating to separate project activities.

#### 10-3 Emergency Procurements

An emergency condition is an unforeseen danger to the public health, safety, welfare or other substantial loss to the public. The existence of such a condition creates an immediate and serious need for goods, services or construction that cannot be met through standard procurement methods. All authority regarding emergency conditions rests with the Governing Board.

Whenever a major disaster is declared by national or state officials or an emergency order is issued within the boundaries of the District, the Executive Director of the District has been delegated authority up to \$500,000 to undertake all such actions, without competition, to procure the necessary commodities, equipment and services to deal with the emergency situation. The Executive Director must report all activities to the Governing Board within thirty (30) days.

The Governing Board will meet to determine whether conditions warrant the continuation of emergency procurements and/or to approve all requirements over \$500,000.

Procurement has formally solicited and selected firms for emergency contracting services.

## **DRAFT CHAPTER 10**

### **EXCEPTIONS TO COMPETITIVE PROCUREMENT STANDARDS**

Procurement will issue work orders against these contracts in the event of an emergency situation. All District offices will follow procedures established by the Emergency Operations Center for providing documentation to support activities and costs associated with emergency situations.

#### **10-4 Waiver of Competition**

To preserve public confidence in the District's procurement process, there are limited circumstances in which the competitive process may be waived to procure a particular commodity or service. These include:

- Technical requirements
  - Special expertise
  - Project/operational continuity
  - Product functionality
  - Equipment compatibility
- Unforeseen circumstances requiring an expedited timeframe  
(must not be justified due to poor planning)
- Limited competition in the marketplace  
(must be supported by current documentation)

All requests by District staff to waive the standards for competition require thorough justification and approval by the Executive Director, Deputy Director for Corporate Resources, Director of Procurement and Office of Counsel.

All transactions over \$25,000 (over \$300,000 for special ECP transactions) also require Governing Board approval. A copy of the internally approved Waiver of Competition must be posted in Procurement for 72 hours prior to the designated Governing Board meeting at which final approval is requested.

#### Format for Writing a Waiver of Competition

Outline the document into five (5) major sections:

- Introduction/Background
- Need for Exception to the Standards for Competition
- Preserving Fairness in the Method of Selection
- Preserving Competitive Pricing in the Method of Selection
- Conclusion

#### Preparing a Waiver of Competition

- Instructions and guidelines for developing the Waiver of Competition are included in Exhibit 11 and are available on the District's IWEB.
- A cover memorandum that includes signature blocks for approval by District support offices (Corporate Resources, Procurement, Office of Counsel) is also located on the IWEB.

#### Approval Procedures

- The Project Manager must forward the draft Waiver of Competition to the initiating Department, Division and Deputy Executive Director levels for review and approval.
- Once approved by the technical offices, the Deputy Executive Director will forward the Waiver of Competition with appropriate cover memorandum (based on transaction threshold) to the District support offices for final review and approval.

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### EXCEPTIONS TO COMPETITIVE PROCUREMENT STANDARDS

- For those actions requiring Governing Board approval, the complete Waiver of Competition (including cover memorandum ) must be forwarded to Procurement no later than the monthly deadline established for back-up materials to the Governing Board agenda.

#### 10-5 Sole Source Procurements

Sole source procurements are acceptable only when one source has a unique capability or innovative product or service to meet District requirements.

A sole source procurement may be necessary to obtain a particular make or model of equipment that is critical for District needs in complying with technical standards approved by the Governing Board.

A sole source may also be necessary because of proprietary rights in data, patents, copyrights or trade secret information. However, a sole source procurement must not be confused with products that are proprietary in the marketplace, i.e., are manufactured by only one company, but are sold through distributors. In such case, the District may compete among the distributors to obtain the product at a fair and reasonable price.

As with a waiver of competition, each sole source procurement requires a written justification to support the purchase on a non-competitive basis as well as approval by the Executive Director, Deputy Director for Corporate Resources, Director of Procurement and Office of Counsel.

All sole source justifications require Governing Board approval. A copy of the District staff approved Justification for Sole Source Procurement must be posted by Procurement for 72 hours prior to the designated Governing Board meeting at which final approval is requested.

#### Format for Writing a Justification for a Sole Source Procurement

Outline the document into seven (7) major sections:

- Introduction/Background
- Demonstration that the vendor's qualifications or the nature of the acquisition requires use of a sole source procurement (i.e., no other similar goods or services will meet District needs).
- Description of any solicitations released within the past year which support the conclusion that there are no other viable sources.
- Description of market research conducted, including price information on any similar products or services, to demonstrate the availability of only one source, thereby eliminating the need for a superfluous expenditure of District resources.
- Comparative analysis of cost or pricing data to demonstrate that the final negotiated price is fair and reasonable.
- Any other information supporting the position that full and open competition is not appropriate based on District requirements.
- Certification by the Project Manager and Contract Representative that the information presented is complete and accurate.

#### Preparing a Justification for Sole Source Procurement

- Instructions and guidelines for developing the Sole Source Justification are included in Exhibit 10 and are available on the District's IWEB.

## **DRAFT CHAPTER 10**

### **EXCEPTIONS TO COMPETITIVE PROCUREMENT STANDARDS**

- A cover memorandum that includes signature blocks for approval by District support offices (Corporate Resources, Procurement, Office of Counsel) is also located on the IWEB.
- The university may retain data and patent rights, copyrights or trade secret information, as determined by applicable law, which are critical to District requirements.

#### **Approval Procedures**

- The Project Manager must forward the draft Sole Source Justification to the initiating Department, Division and Deputy Executive Director levels for review and approval.
- Once approved by the technical offices, the Deputy Executive Director will forward the Sole Source Justification with appropriate cover memorandum to the District support offices (Corporate Resources, Procurement, Office of Counsel) for final review and approval.
- The complete Justification for Sole Source Procurement (including cover memorandum ) must be forwarded to Procurement no later than the monthly deadline established for back-up materials to the Governing Board agenda.

#### **10-6 University Cooperative Agreements**

Collaborative projects with universities for research, restoration, conservation or similar studies require the use of a cooperative agreement and evidence of some form of cost sharing. The results of the collaboration must be of mutual benefit to both the District and the university.

The basis for entering into such agreements, without competition, consists of the following:

- The university has unique or specialized facilities and/or equipment, which are considered essential in meeting the District requirements.
- The university has unique or innovative concepts to be utilized furthering the scientific aspects of the project.

- The university will provide, given the cooperative nature of the work to be performed, specific cost sharing or significant in-kind services that demonstrate commitment to completing the work and producing results that will withstand peer review and will be shared with the appropriate outside community.

As with a waiver of competition and sole source procurement, cooperative agreements with universities require a written justification to support the collaborative nature of the project and to perform the work on a non-competitive basis. University justifications require approval by the Executive Director, Deputy Director for Corporate Resources, Director of Procurement and Office of Counsel.

All transactions over \$50,000 also require Governing Board approval. A copy of the District staff approved Justification for Cooperative Agreements with Universities must be posted by Procurement for 72 hours prior to the designated Governing Board meeting at which final approval is requested.

#### **Format for Writing a Justification for a Cooperative Agreement with a University**

Outline the document into six (6) major sections:

- Introduction/Background
- Cooperative Relationship
- Market Research
- Past Performance.
- Conclusion
- Certification by the Project Manager and Contract Representative that the information presented is complete and accurate

## **DRAFT CHAPTER 10**

# **EXCEPTIONS TO COMPETITIVE PROCUREMENT STANDARDS**

### Preparing a Justification for Cooperative Agreement with a University

- Instructions and guidelines for developing the University Justification are included in Exhibit 12 and are available on the District's IWEB.
- A cover memorandum that includes signature blocks for approval by District support offices (Corporate Resources, Procurement, Office of Counsel) is also located on the IWEB.

### Approval Procedures

- The Project Manager must forward the draft University Justification to the initiating Department, Division and Deputy Executive Director levels for review and approval.
- Once approved by the technical offices, the Deputy Executive Director will forward the University Justification with appropriate cover memorandum (based on dollar threshold of agreement) to the District support offices for final review and approval.
- For those actions requiring Governing Board approval, the complete University Justification (including cover memorandum) must be forwarded to Procurement no later than the monthly deadline established for back-up materials to the Governing Board agenda.

## **APPENDIX A GLOSSARY OF TERMS**

**Acceptance.** Receipt and retention by the District of the goods delivered or services performed by a contractor (including a vendor/supplier) after inspection to ensure conformance with formal contract or purchase order terms and conditions.

**Addendum.** Written alteration to any provision of a solicitation document.

**Amendment.** Written alteration to any provision of an existing contract or agreement which affects the Statement of Work/Specifications, delivery point, delivery schedule, period of contract performance, price or quantity.

**Amendment Requiring a Waiver of Competition.** Written alteration to the Statement of Work/specifications, price or quantity of an existing contract or agreement requiring work that is outside the general scope of the contract or involving a significant increase to the funding requirements of the project. A *Waiver of Competition* must be prepared and approved by the Governing Board to justify the changes without allowing for full and open competition.

**Award.** The formal approval/execution of a contract or agreement resulting from the acceptance of a bid or negotiation of terms and conditions.

**Best Value Procurement.** Use of competitive solicitation methods that allow the District to consider both price and non-price factors (e.g., experience, past performance and technical qualifications) in source selection rather than awarding contracts solely on the basis of price and price related factors.

**Bid.** A written response to a formal competitive procedure – Request for Bids – which states a specific price to perform work based on detailed specifications.

**Change Order.** Written alteration to any provision of an existing construction contract which affects the Statement of Work/specifications, delivery point, delivery schedule, period of contract performance, price or quantity.

**Claim.** A written demand or assertion by the District or contractor seeking an adjustment of contract price, the performance period or other relief with respect to the terms and conditions of the contract.

**Closeout.** Process by which the District determines that all applicable administrative actions (including, but not limited to, performance evaluations and final payments) and all required services and deliverables of the contract or purchase order have been satisfactorily completed and/or items received and accepted.

**Competition.** A formal (Request for Bids or Request for Proposals) or informal (Request for Quotes) method of solicitation to procure goods or services.

**Competitive Contract.** (Request for Bids/Request for Proposals). Formal solicitation procedures available to the District for requesting information from potential contractors. A *Request for Bids* (RFB) involves precise specifications, the receipt of sealed bids and contract award based on lowest price. A *Request for Proposals* (RFP) involves the submission of proposals, an evaluation of qualitative factors and contract award based on negotiated price.

**Consultants' Competitive Negotiation Act (CCNA).** Section 287.055, Florida Statutes and the provisions of Chapter 40E-7, Florida Administrative Code, which relate to the procurement of Professional Services, as defined by CCNA, including architects, professional engineers, landscape architects and registered land surveyors and mappers.

**Construction.** The process of building, altering, repairing, improving or demolishing real property, including, but not limited to, buildings, structures, facilities, general landscaping (e.g., tree removal). Construction does not include routine repair, operation or maintenance of existing facilities or other real property.

**Construction Management at Risk.** A construction procurement method in which a single firm is selected for the project management, design/engineering and pre-construction services and construction services required by the District for implementation of the project.

**Continuing Contract.** A contract for professional services that are used on an "as-needed" basis. Continuing contracts are entered into and in accordance with Section 287.055, Florida Statutes. Work Orders are issued for specific requirements. Continuing contracts are restricted to a maximum of three (3) years, per District policy, after which the services must be re-competed in accordance with CCNA procedures.

**Contract.** A binding, written representation, understanding or agreement between two or more parties, which contains terms and obligations governing the relationship between or among the parties, including, but not limited to, all contract exhibits, documents or other attachments that are incorporated and/or referenced therein and form part of the full agreement between the parties.

**Contractor.** The individual or legal entity with whom the District has entered into the contract for performance of the work.

**Contract Administration.** The management and monitoring of all facets of contract work by Project Management and Procurement to ensure that contractor performance is in accordance with the terms and conditions of the award.

**Contract Type.** A specific pricing arrangement used for the performance of work and delivery requirements under a contract. Examples of contract types frequently used by the District include firm fixed price, work order, time and materials and not-to-exceed cost type contracts.

**Cooperative Agreement.** An agreement with an educational institution, governmental or not-for-profit entity, which may or may not include cost sharing arrangements by the parties (commitment of funds or in-kind services) toward the services or products to be obtained or provided.

**Cost Analysis.** Review and evaluation of the separate cost elements and proposed profit and the evaluation of the extent to which the proposed costs, after analysis of the validity of the data, represent what the cost of the contract should be, assuming reasonable economy and efficiency. Used in formal negotiated procurements.

**Cost Reimbursement.** A family of contract pricing arrangements that provide for payment of allowable incurred costs up to a ceiling that may not be exceeded (without District approval and a contract amendment) except at the contractor's own risk.

**Decentralized Purchase Order.** A delegation of purchasing authority to specified District staff to procure goods, equipment and/or services through the issuance of purchase orders, subject to certain restrictions and dollar limitations.

**Design Specification.** A requirement that establishes precise measurement, tolerances, materials, in process and finished product tests, quality control, inspection requirements and other specific details of the deliverable.

**Design-Bid-Build.** A construction procurement method in which a single firm is selected for project design. After completion of the design, the construction of the project is solicited via a Request for Bids. The successful bidder manages the project and builds the structure.

**Design-Build.** A construction procurement method in which a single firm is selected for project design and construction management. The two-step solicitation process is managed by the District, with final selection determined in accordance with District procedures.

**Disputes.** Disagreements, claims, counterclaims, matters in question and differences of opinion between the District and the contractor regarding subject matters relating to the contract, including, but not limited to, the work and modifications or changes to the work, interpretation of contract terms and documents, acceptability of the work, costs or time for performance.

**District Grant.** Grants awarded by the District, on a competitive basis, to entities eligible for receipt of funds. Examples include the Alternative Water Supply (Section 373.1961, F.S.), Florida Indian River Lagoon (IRL) License Plates (Chapter 320, F.S.) and Water Resource Education (WRED).

**Emergency Procurement.** A procurement necessitated by an unforeseen condition that results in an imminent threat to the public health, safety or welfare or in a substantial economic or environmental loss to the public and where the delay resulting from the use of standard competitive procedures would be detrimental to the interests of the public.



**Equipment.** Tangible non-expendable property with a unit cost of \$500 or more and useful life of one or more years.

**Evaluation Factors/Sub-Factors.** Descriptions of those aspects of a proposal that will be evaluated quantitatively or qualitatively to assess which proposal can best meet the District's requirements as set forth in the solicitation. Used in competitive, negotiated procurements.

**Evaluation Guidelines.** A general review of the evaluation criteria set forth in the solicitation with descriptions of what should be considered by each selection committee member when reviewing the proposals.

**Evaluation Standards.** A baseline level of merit or acceptability used for measuring how well or whether a respondent's proposal satisfies the needs of the District as detailed in the solicitation requirements and evaluation criteria (evaluation factors/subfactors). Used in competitive, negotiated procurements.

**Firm.** Any individual, partnership, corporation, association, joint venture or other legal entity permitted by law to conduct business in the State of Florida.

**Fixed Price.** A family of contract pricing arrangements that have in common a price ceiling beyond which the District bears no responsibility for payment; the agreed-upon price (if no contract incentives) is not subject to adjustment because of the contractor's cost experience in the performance of the contract and remains unchanged until final delivery of the goods or services.

**Functional Specification.** A specification that describes the deliverable in terms of form, fit and function, with performance characteristics to satisfy the intended use.

**Informal Solicitation.** Written or oral quotation not formally advertised nor requiring a public opening at a specific time or date. Written evidence of oral quotations must be maintained.

**Inter-Agency Agreement.** An agreement, without competition, between the District and a state or federal governmental agency for services to be performed by a governmental entity to accomplish the project objectives. The agreement involves the expenditure of District funds and may include cost-sharing by the governmental entity, as a contribution of actual funds and/or in-kind services toward the total amount budgeted for completion of the project.

**General Provisions.** "Boiler-plate" contract clauses that define the basic rights and obligations of the parties and legal requirements of the contract award.

**Governmental Reimbursement Grant.** An agreement between the District and a state or federal governmental agency for reimbursement of all or a portion of the District's costs associated with project services provided by District staff and/or by subcontractor(s). Most common grants are from the Army Corps of Engineers, Florida Department of Environmental Protection and the Environmental Protection Agency.

**Integrated Contract Management System (“ICMS”).** The District’s on-line contract development, monitoring, information and reporting system.

**Local Governmental Agreement.** An agreement, without competition, between the District and a Florida county or city governmental agency for services to be performed by the governmental entity to accomplish the project objectives. The agreement involves the expenditure of District funds and may include cost-sharing by the governmental entity, as a contribution of actual funds and/or in-kind services toward the total amount budgeted for completion of the project.

**Minority.** An individual who is a citizen or lawful permanent resident of the State of Florida and is: 1) African American (a person having origins in any of the racial groups of the African diaspora); 2) Asian American (a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent or the Pacific Islands, including the Hawaiian Islands prior to 1778; 3) Hispanic American (a person with origins in Spain, Portugal, Mexico, South America, Central America or the Caribbean Islands, regardless of race); 4) Native American (a person who is a member of a federally recognized Indian tribe); or 5) an American woman.

**Minority Business Enterprise (“MBE”).** Defined in Section 288.703(2), Florida Statutes.

**Negotiation.** A method of bargaining between two or more parties seeking to reach a mutually satisfactory agreement or settlement regarding the various terms and conditions of a prospective contract or contract modification. Used in formal negotiated procurements.

**Non-Competitive Contract.** A contract awarded by the District, without competition, to an individual, firm or entity to meet the District’s requirements. A *Waiver of Competition* must be prepared in writing and approved by the Governing Board to justify the technical requirements necessary for selecting a product or service from a particular vendor/contractor. A *Sole-Source Justification* must be prepared and approved by the Governing Board when only one source can provide a unique capability, innovative product or service.

**Performance Specification.** A specification that states requirements in terms of the required results, with criteria for verifying compliance. It defines the functional requirements, the operational environment and the interface and interchangeability requirements.

**Price Agreement.** A simplified method (blanket order) of filling anticipated repetitive needs for supplies or services to maximize ordering efficiency and obtain quantity discounts.

**Price Analysis.** Process of examining and evaluating a proposed price without evaluating the separate cost elements and proposed profit.

**Procurement Card.** A credit card issued to District employees to place orders for low-dollar approved goods and services from vendors up to the established authorization limits. The Procurement Card is the preferred method at the District for small purchases.

**Procurement Strategy.** The document used in a formal competitive process that explains the necessity of outsourcing a District requirement, defines the existing market for the goods, services or construction, estimates the anticipated cost and determines the most appropriate method of procurement.

**Proposal.** A written response to a formal competitive Request for Proposal solicitation, which includes the respondent's approach, methodology and estimated cost (non-CCNA solicitations) for accomplishing the District objectives.

**Purchase Order.** A formal, written offer by the District to a vendor to purchase goods or services (includes purchases under price agreements, decentralized purchase orders and leases) containing all terms and conditions required by the District. Once accepted by the vendor, it becomes the contractual document establishing the obligations of the two parties.

**Quotation.** A prospective vendor's response to an informal District request – oral or written (Request for Quotation). A quotation is not binding; a purchase order must be issued as an award document and accepted by the vendor before a binding agreement is formed.

**Rating.** The application of a scale of words and/or numbers used in conjunction with a description to denote the degree to which a proposal has met the standards for the evaluation factors/sub-factors set forth in a solicitation. Used in formal negotiated procurements.

**Renewal.** A contract renewal is determined by the District after completion of the initial contract period. It is an option period(s) that is previously established in the contract, with substantially unchanged terms and conditions. Pricing for the option period(s) is determined and accepted at the time of the initial contract award. Renewals require a modification to the contract.

**Request for Bid ("RFB").** Formal solicitation method involving precise specifications, receipt of sealed bids and contract award to a responsive, responsible bidder based on lowest price.

**Request for Information ("RFI").** Formal solicitation method that is used to obtain information on the availability of a product or service in the marketplace or to establish a list of qualified vendors and/or contractors based on evaluation factors included in the RFI. The RFI is always used as a first step of a two-step process, requiring release of an RFB or RFP as the second step. Non-construction procurements of \$100,000 or less may utilize an RFQ as the second step if detailed specifications can be generated.

**Request for Proposal ("RFP").** Formal solicitation method involving the submission of proposals, evaluation of qualitative factors and sub-factors and contract award to a responsive, responsible respondent based on a negotiated price and terms and conditions that are most advantageous to the District.

**Request for Quotation (“RFQ”).** Informal solicitation method (not formally advertised) that is used to obtain written quotations (including faxed) from a minimum of three firms for supplies or services. An RFQ involves simplified procedures for acquiring supplies or services within a designated threshold when precise specifications are available and the terms and conditions of the award can be satisfied by execution of a purchase order.

**Responsible.** Term used to indicate that a prospective contractor has the financial resources, system accountability, personnel, facilities, integrity and overall capability to ensure good faith performance in meeting the contract requirements.

**Responsive.** Term used to indicate that a bid or proposal submitted in response to a solicitation conforms in all material respects to the stated requirements set forth in the solicitation document and shall include compliance with Minority Business Enterprise (MBE) goals or good faith efforts.

**Revenue Agreement.** A transaction that does not involve the expenditure of any District funds, but rather, yields a gain or recurring benefit, whereby the District receives income from the sale of contractor-provided services or grants from other governmental agencies (not tied to reimbursement of District costs). Examples include land leases and direct grants to the District from interagency and local governmental entities.

**Small Business.** Independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million, or any firm based in the State of Florida that has a Small Business Administration 8 (a) Certification. As applicable to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

**Sole Proprietorship.** Business concern owned by one minority person.

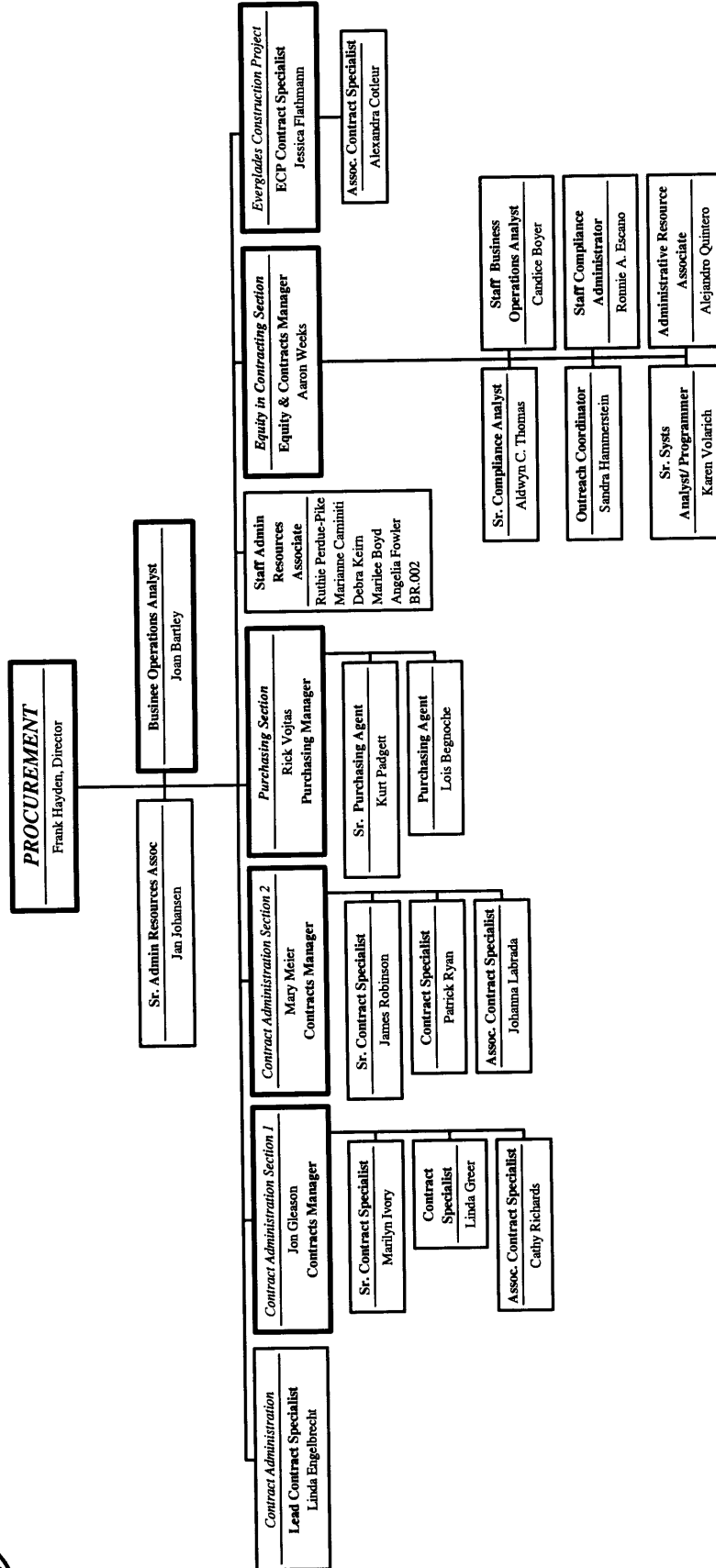
**Special Procurement.** An agreement, without competition, for services that are qualitative in nature, involve professions or businesses that do not customarily engage in competition or include entities that are prohibited by law from competing. Examples include:

- ❑ Florida state contracts, General Services Administration schedules.
- ❑ Legal services (expert witnesses and outside counsel fees; court reporting services; mediators, arbitrators and dispute resolution services, paralegals).
- ❑ Health Services (examination, diagnosis, treatment, prevention, medical consultation or administration).
- ❑ Licensing, maintenance or service agreements (warranty or compatibility requirements limit selection to the manufacturer).
- ❑ Artistic services or lecturers.
- ❑ Cooperative (cost-sharing) agreements with not-for-profit entities.
- ❑ Leases of District office space (under 3,000 sq. ft.).



APPENDIX B

SOUTH FLORIDA WATER MANAGEMENT DISTRICT  
CORPORATE RESOURCES BUSINESS GROUP  
PROCUREMENT DEPARTMENT

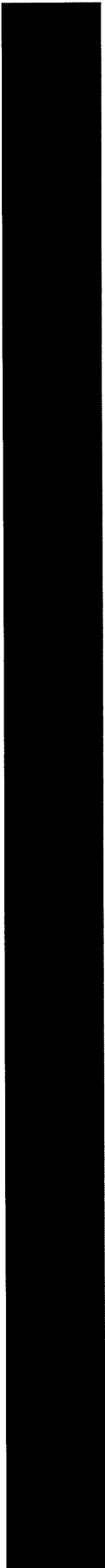
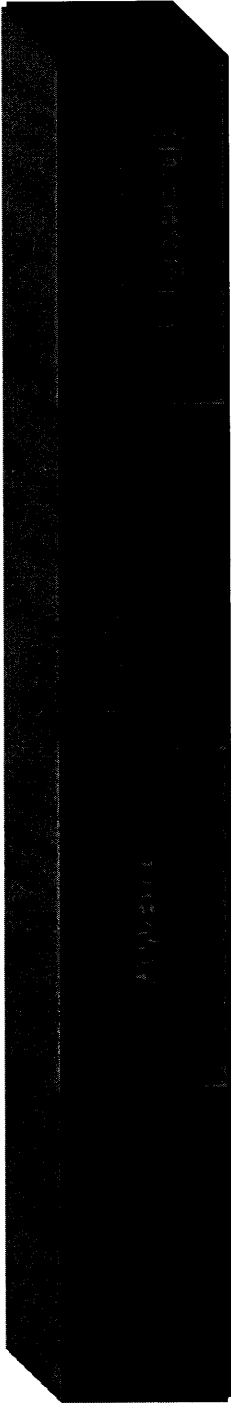
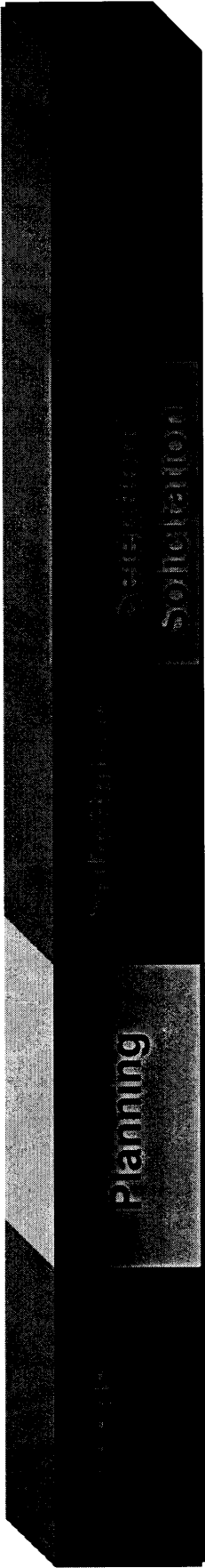




PROCUREMENT PROCESS IMPROVEMENTS

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The Procurement Process ...





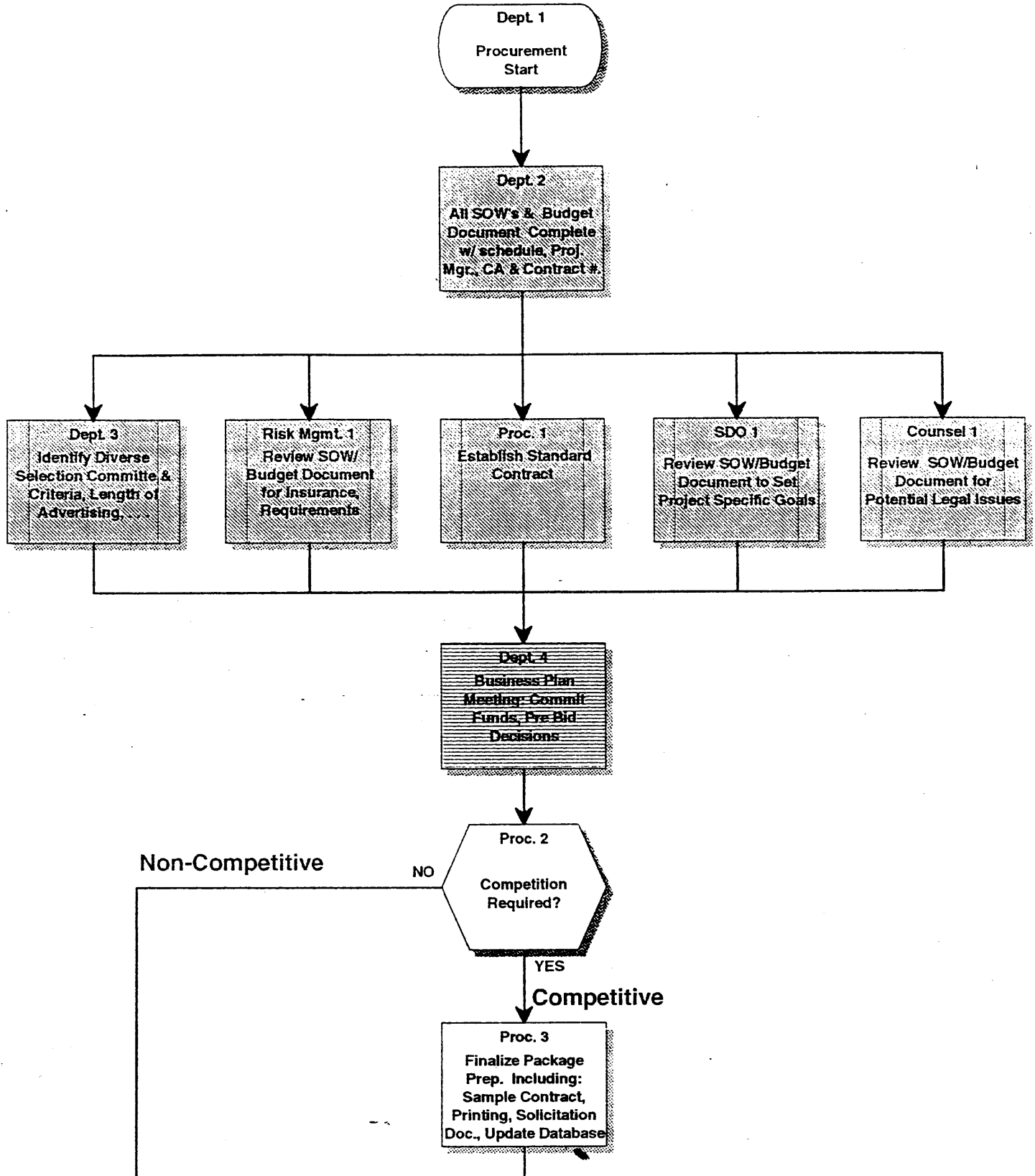




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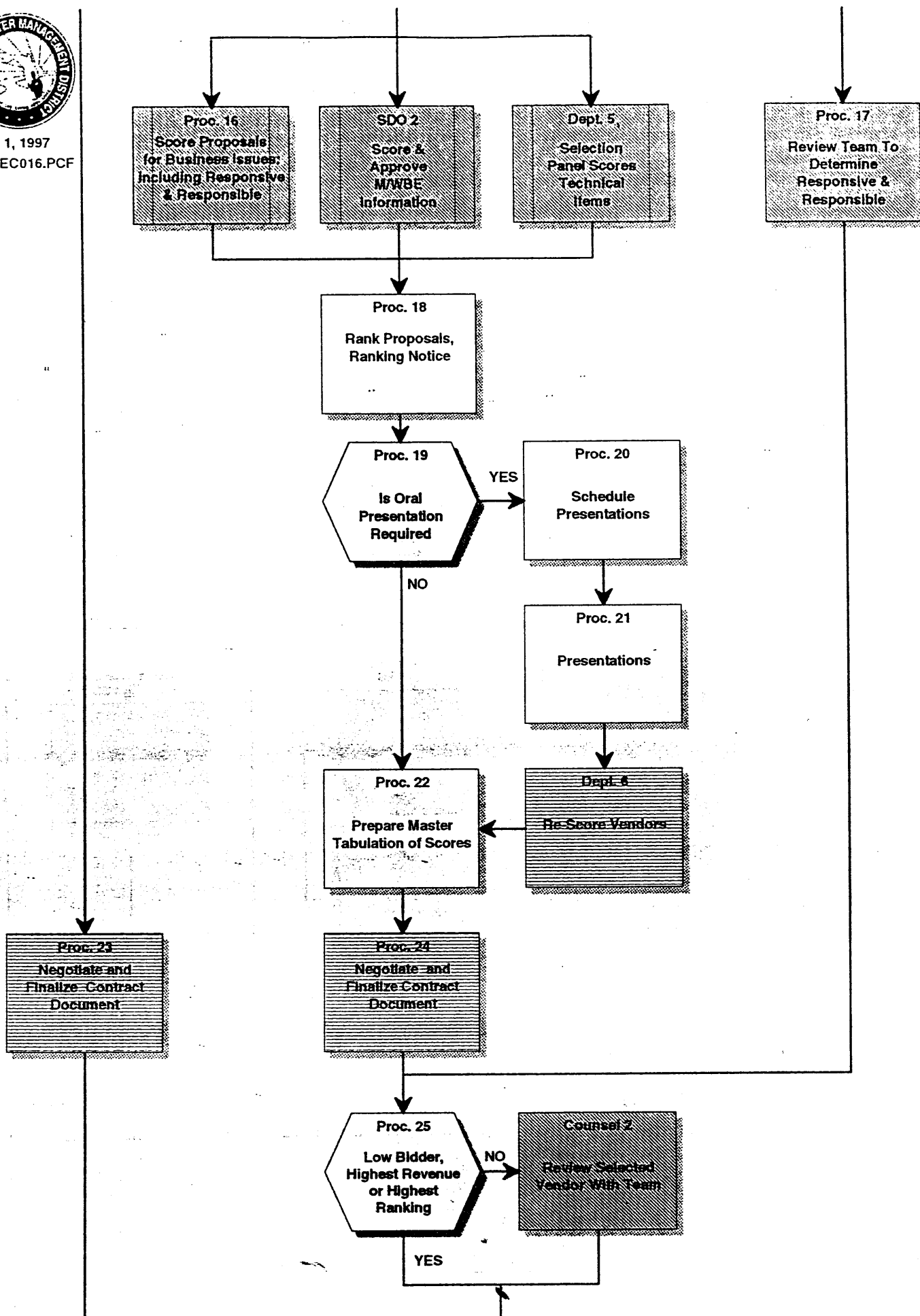
# Procurement "To-Be" Process: Contracting

With Change Orders/  
Amendments Added





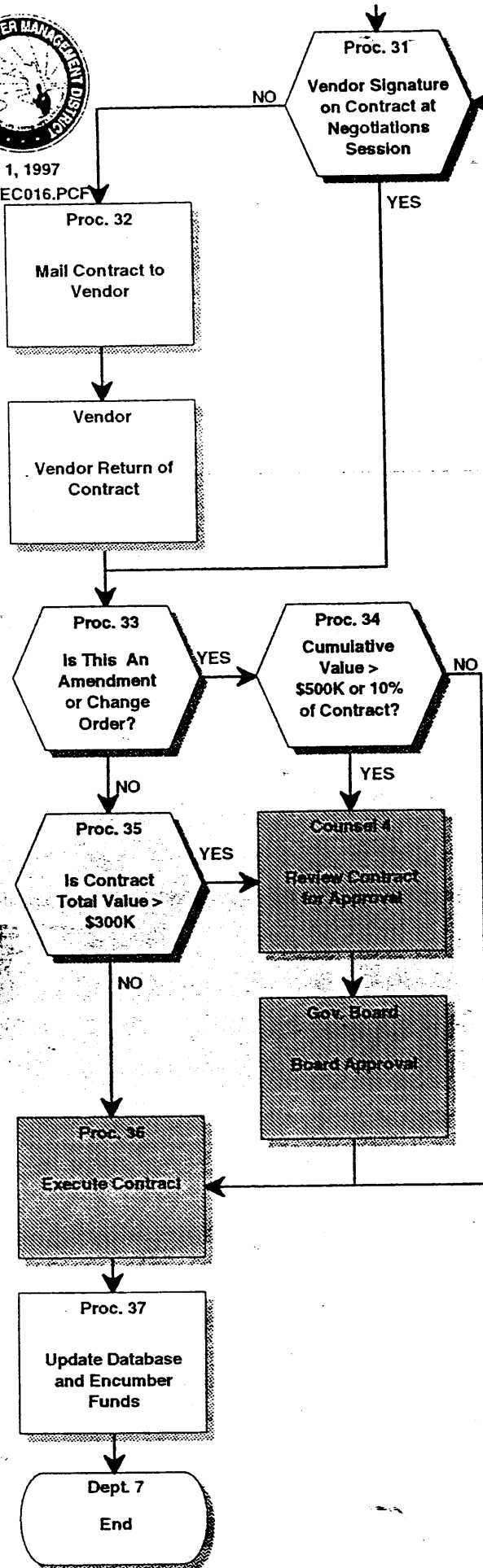
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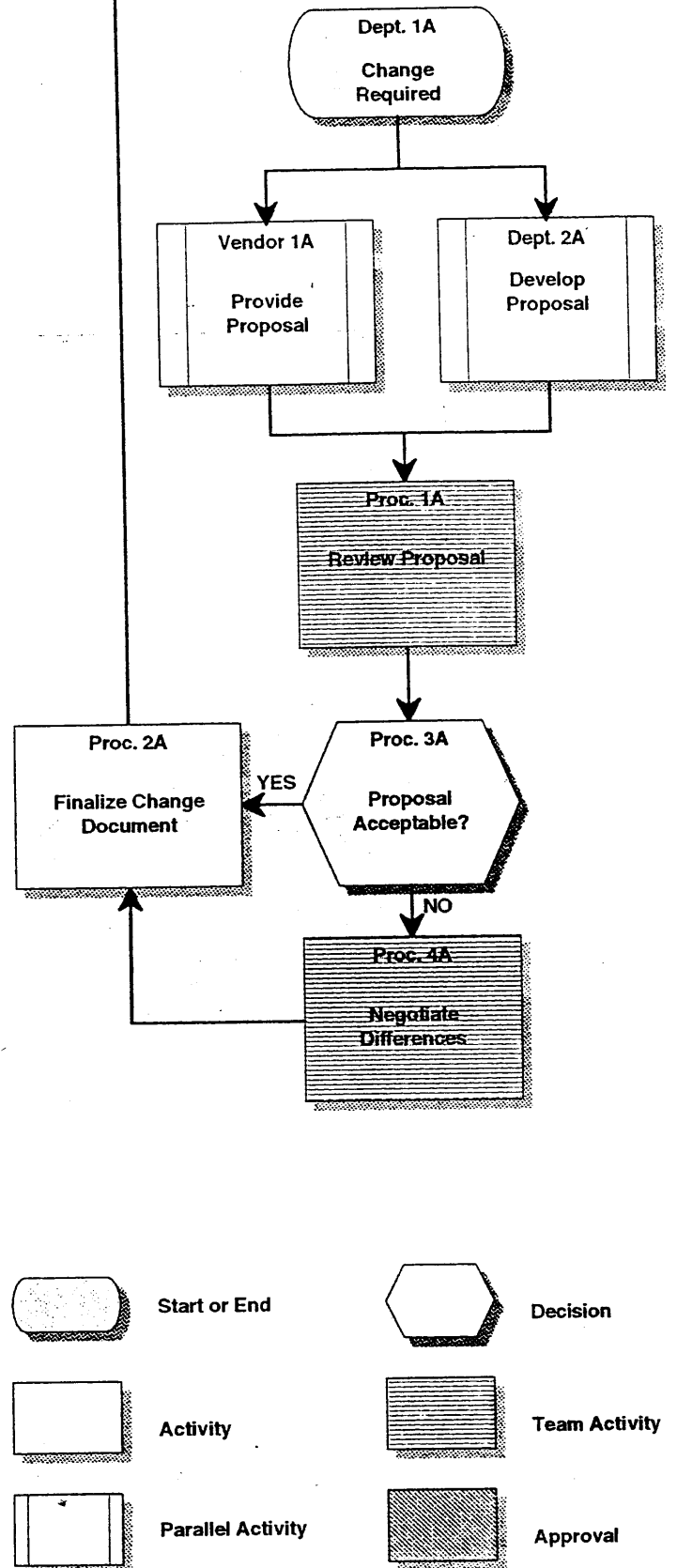


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## Amendment or Change Order

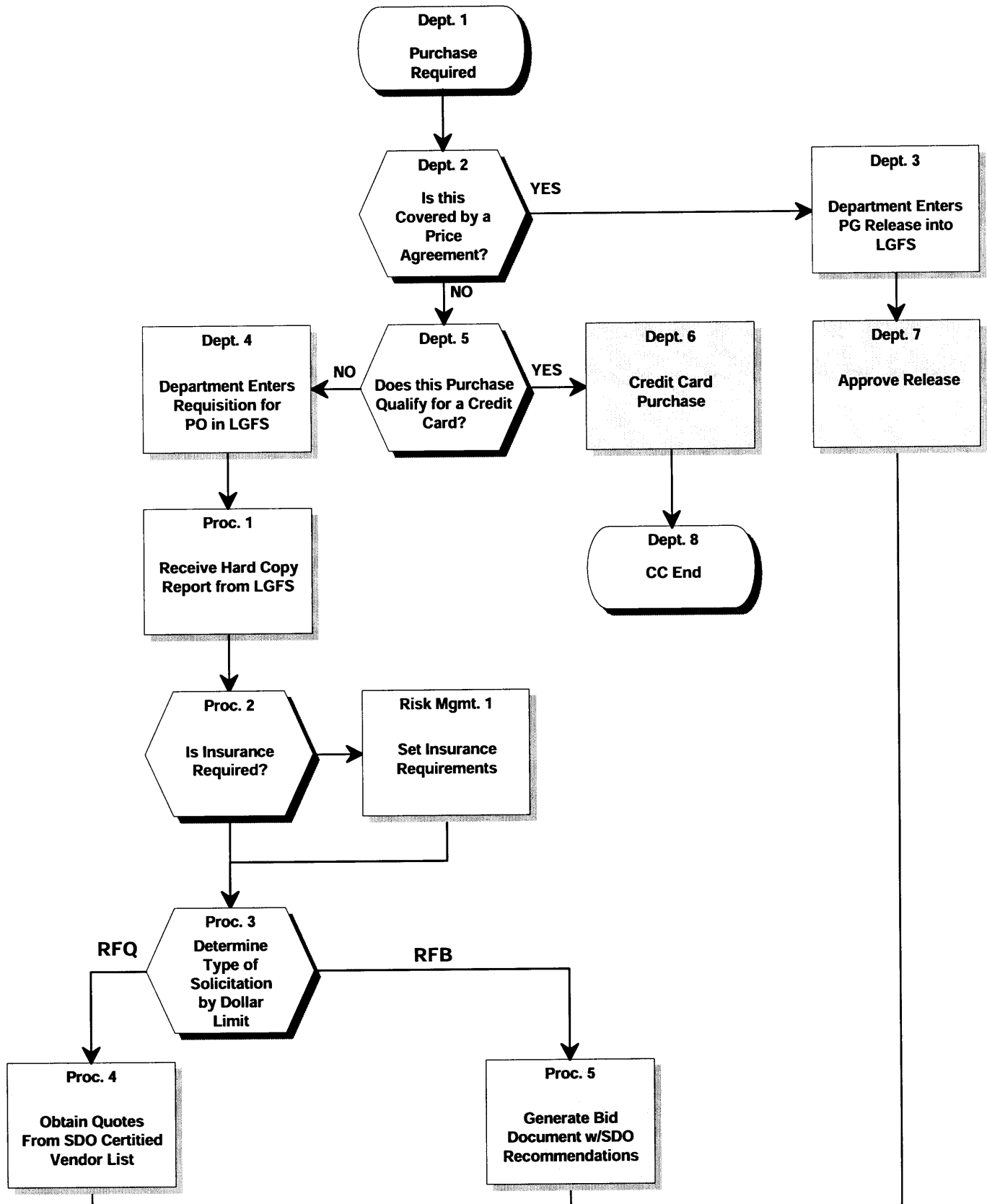




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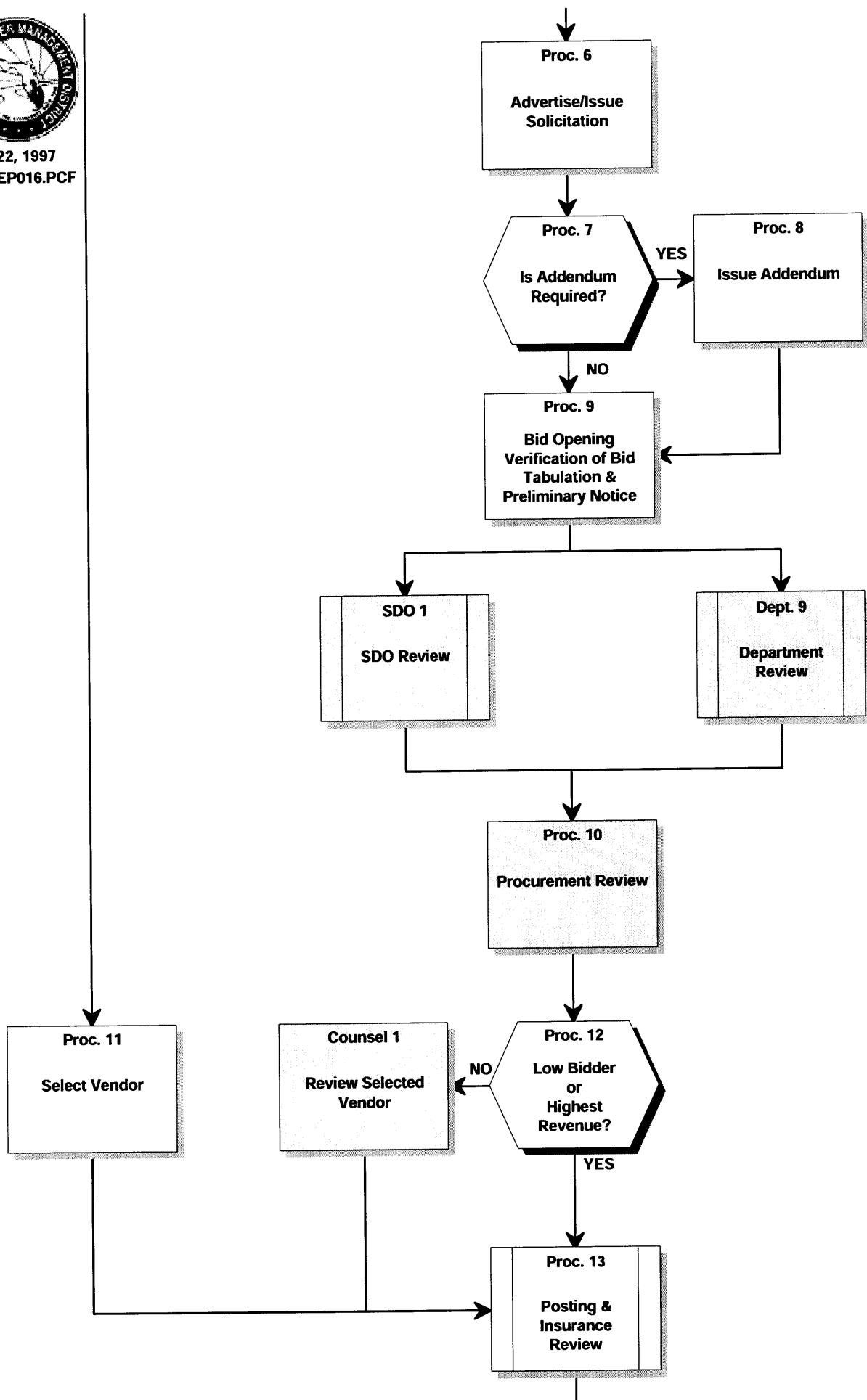
## APPENDIX C

# Procurement "To-Be" Process: Purchase Orders



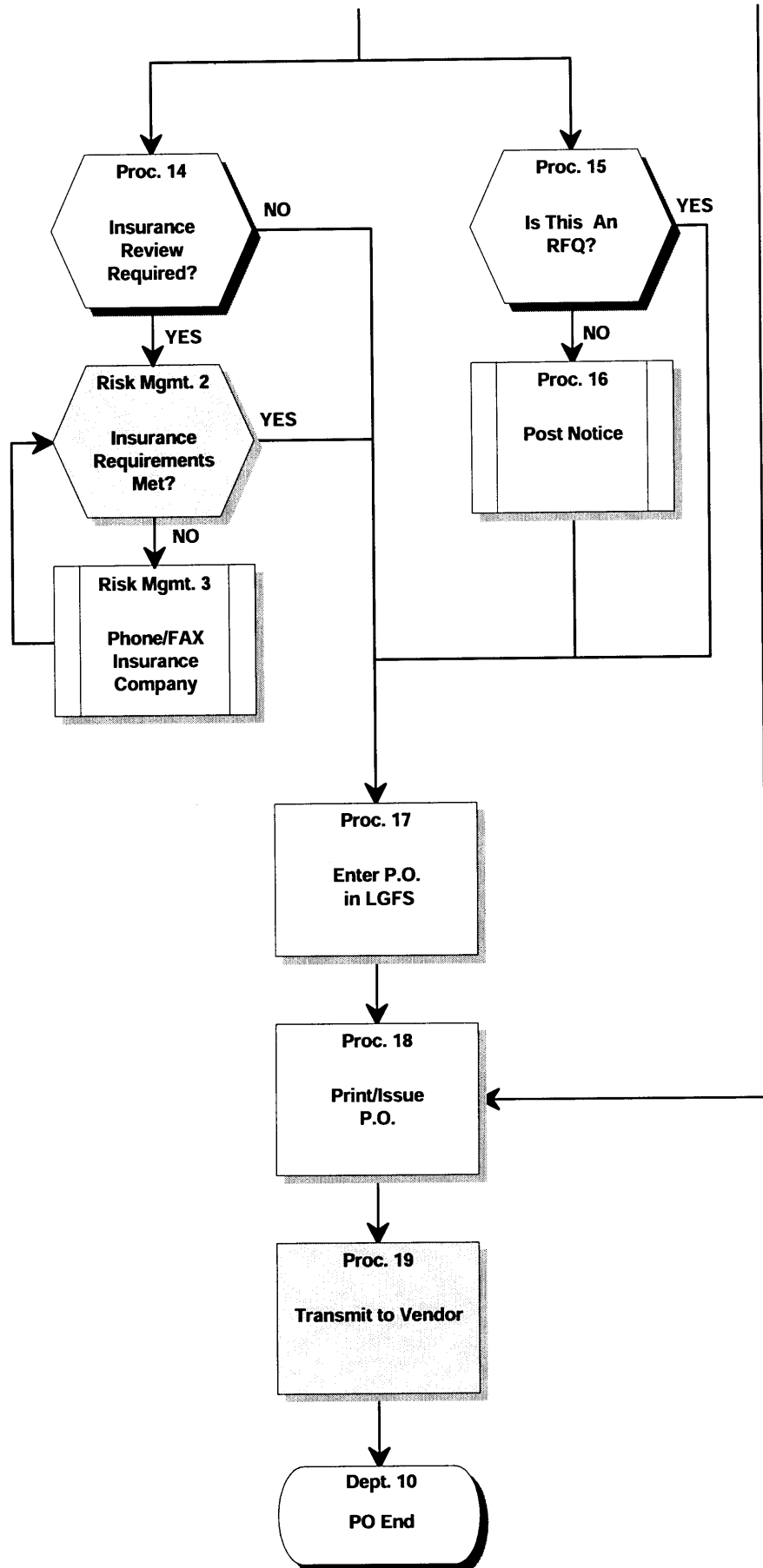


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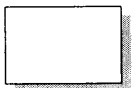




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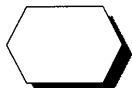
Start or End



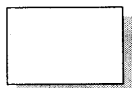
Activity



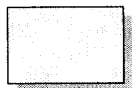
Parallel Activity



Decision

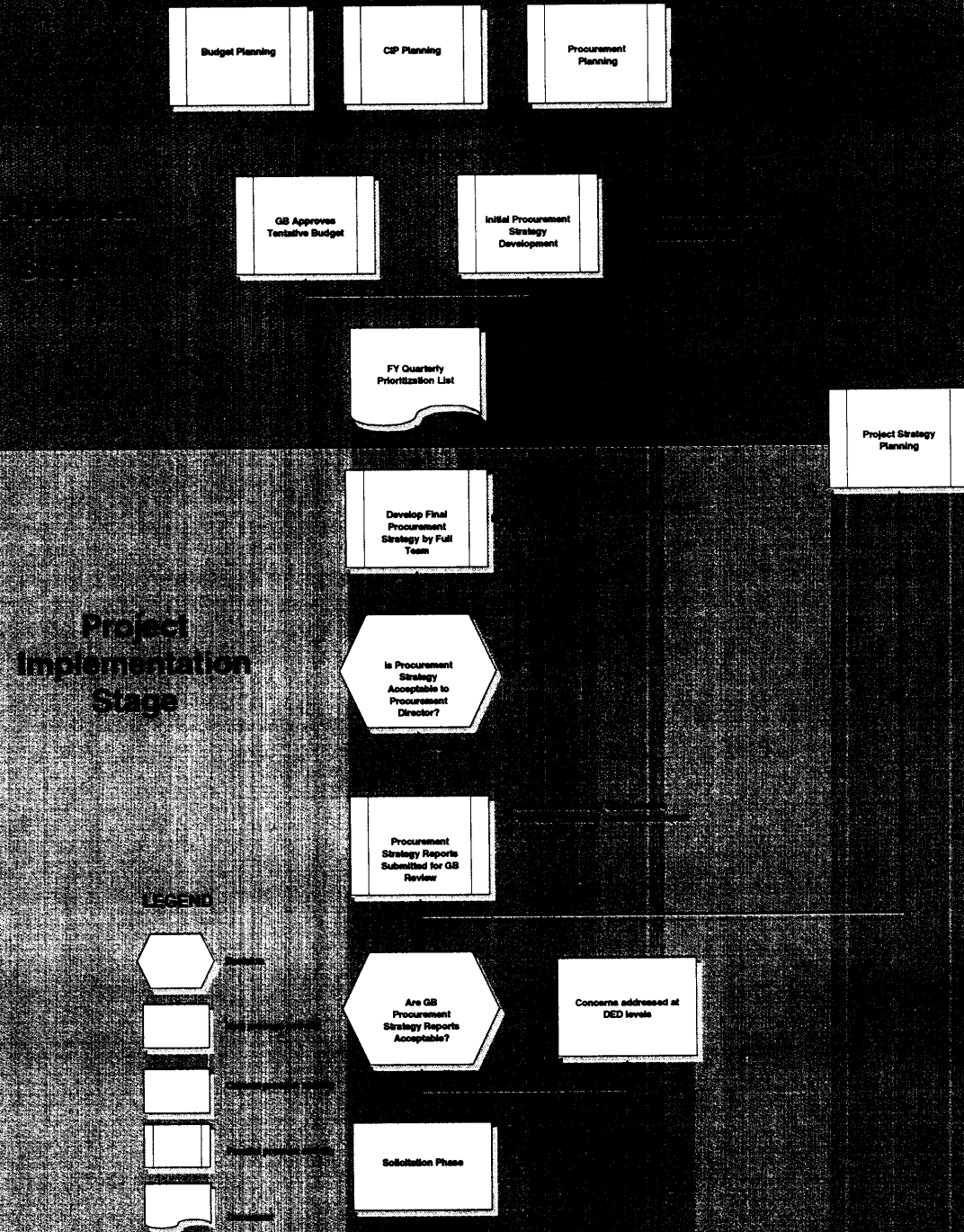


Team Activity



Approval










# APPENDIX E

	<b>■ POLICY ■</b>	Unit 0240	Revised 05	Original Effective Date 11/03/85	
	<b>SUBJECT</b>				
	07.100      PROCUREMENT				
		Last Revision Date 10/04/00			
		Approval Signature: <i>[Signature]</i>			
		Date: 10-4-00			
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## 07.10001      Contents


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9	07.10011	Governing Board Delegation to Executive Director
10	07.10012	Points of Clarification Regarding Delegation to Executive Director
13	07.10013	Standards for Competitive Procurement
20	07.10014	Exceptions to Competitive Procurement Standards
	07.10015	Delegation of Authority

## 07.10002      Scope

The scope of this policy (and the supporting documents listed in Section 07.10007) shall apply to all District purchasing and contracting activities performed by the Governing Board and all authorized District employees. Purchasing and contracting activities not covered by this policy are listed below:

1. Transactions involving real estate interests governed by Sections 373.089, 373.093 and 373.139, Florida Statutes and/or by Chapters 40E-7 and 40E-9, Florida Administrative Code.
2. Reimbursement for purchases of selected small items, which are covered under Petty Cash Policy 06.020 and Disbursement Policy 06.200.
3. Regulated item purchases (see Definitions No. 07.103), which are covered under Disbursement Policy 06.200.
4. Travel services (see Definitions No. 07.103).
5. Disposal of surplus property, which is covered under Fixed Assets Policy 06.100.

## 07.10003      Purpose

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The purpose of this policy is to provide an efficient, effective, economical and equitable means of procuring needed commodities, equipment and services.

This policy incorporates the provisions of Chapter 40E-7, Florida Administrative Code and the provisions of Section 287.055, Florida Statutes.


**07.10004      References**

Fixed Assets Policy	06.100
Petty Cash Policy	06.020
Disbursement Policy	06.200
Budget Transfer Procedures	06.203
Delegation of Executive Director Procurement, Revenue and Zero Dollar Transaction, Execution and Other Authority Standard	07.101
Procurement Instruments Standard	07.102
Purchasing and Contracting Definitions	07.103
Procurement Card Procedures	07.105
Emergency Procurement Card Procedures	07.106
Travel Policy	14.500
Ethics Policy	03.801

Annual Budget Document - Budget Amendment & Transfer Procedure

*Procurement Manual*, Procurement Department

*Procurement Card Users Manual*, Procurement Department

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*Emergency Procurement Card Users Manual, Procurement Department*

*M/WBE Goal Setting System Manual, Procurement Department*

*LGFS Instruction Manual, Information Application Department, Information Technology Division*

*Alternative Water Supply Funding Program Guide, Alternative Water Supply Office, Water Supply Division*


*Alternative Water Supply Funding Application, Alternative Water Supply Office, Water Supply Division*

**Florida Statutes**

Administrative Procedure Act	Chapter 120
Public Property and Publicly Owned Buildings	Chapter 255
Procurement of Personal Property and Services	Chapter 287
Water Resources	Chapter 373
Public Accountancy	Chapter 473
Per diem and travel expenses ...	Section 112.061

**Florida Administrative Code**

Miscellaneous Provisions	Rule 40E-7
Private Attorney Services	Rule 2-37
Supplier Diversity & Outreach M/WBE Contracting Rule	Rule 40E-7.611
Uniform Rules of Procedure	Rule 28-110

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07.10005      Definitions

Refer to Purchasing and Contracting Definitions 07.103.

07.10006      History

This document revises and replaces the 11/01/85 version (as revised 5/01/88, 6/10/94, 11/14/96 and 10/15/98) of the Procurement and Contracting Policy. The supporting documents listed below contain additional information previously found in the policy.

- 07.101      Delegation of Executive Director Procurement, Revenue and Zero Dollar Transaction, Execution and Other Authority
- 07.102      Procurement Instruments Standards
- 07.103      Purchasing and Contracting Definitions

07.10007      Introduction


This document contains District policy governing procurement of commodities, equipment and services. In instances involving the Consultant's Competitive Negotiation Act (CCNA), the District's policies are subject to, and controlled by, the provisions set forth in Section 287.055, Florida Statutes.

07.10008      Effective Date

This policy is effective on October 1, 2000.

All transactions not yet initiated as of this effective date shall be subject to the provisions of this revised policy for the entire process of competition (as applicable), transaction authority and execution authority.


Transactions already in process as of this effective date shall be subject to the provisions of this revised policy **only for those transaction phases (competition, transaction authority and execution authority) which have not yet commenced**. Phases which have already commenced as of the effective date of this policy shall be subject to the provisions of the policy in effect at the time of phase commencement.

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## 07.10009      Statement of Policy

The following policy statements govern the procurement of all commodities, equipment and services by the District:


1. The District is committed to embracing diversity in contracting so that the District's vendors reflect the full diversity of the communities we serve.
2. The District shall follow generally accepted public procurement practices, and to the extent practicable and applicable, implement the legislative intent of Section 287.001, Florida Statutes.
3. Procurement practices shall assure fairness and foster competition.
4. The District shall conduct contract negotiations in a manner that ensures that the District receives fair value for its money, and that vendors and contractors receive fair compensation for their commodities, equipment and services.
5. The District shall actively encourage the participation of certified minority and woman business enterprises in the procurement process. The District will provide incentives to increase the participation of M/WBEs which are experiencing the effects of marketplace discrimination and have sought to do business in the District's relevant market area pursuant to Supplier Diversity & Outreach M/WBE Contracting Rule 40E-7.611, Florida Administrative Code.
6. District contracts shall be written in clear, concise and comprehensive language with terms and conditions that are fair and equitable to the contracting parties.
7. District employees shall refrain from making oral representations or entering into any oral agreements unless they have delegated procurement authority, as defined in Section 07.10015 and in Delegation of Authority No. 07.101 - Delegation of Executive Director Procurement, Revenue and Zero Dollar Transaction, Execution and Other Authority. All oral agreements by employees with delegated authority shall subsequently be memorialized in writing.

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8. The District shall require documentation of all its transactions, and the performance of periodic audits/surveys conducted either by appropriate internal staff or by external firms.
9. District employees in their official capacity shall neither solicit nor accept privileges, benefits, gifts or exemptions for themselves or for others and shall adhere to the District's Ethics Policy No. 03.801.
10. Only staff of the Procurement Department are authorized to conduct formal competition solicitations and must be included in negotiations of business terms and conditions with potential contractors resulting from a formal competition solicitation. (See definition of Formal Competition.)
11. All forms of contracting, other than revenue contracts, (including Purchase Orders) which are subject to formal or informal competition under this policy shall be recompeted every three (3) years at a minimum, unless the Governing Board authorizes otherwise. Revenue contracts may be solicited for up to seven (7) years.
12. The District shall utilize the Alternative Water Supply Funding Program to cooperatively fund capital projects involving alternative water supply development in accordance with F. S. 373.1961. The District shall adhere to the Alternative Water Supply Funding Program Guide procedures in administering the Alternative Water Supply Funding program.

**07.10010      Items Requiring Governing Board Approval**

1. The following items specifically require Governing Board approval (see paragraph 2 below (notes regarding items a-d below) and the Points of Clarification Section 07.10018 following):
  - a. Contract(s) whose total term (including renewals or amendments) exceeds three (3) years, except for the following items which may exceed three (3) years subject to approval for applicable threshold amounts:
    - 1) ongoing procurements
    - 2) zero dollar transactions (transactions which involve no revenue or expenditure)

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- 3) contracts not subject to formal or informal competition under this policy and
- 4) revenue contracts with terms of less than seven (7) years.

b. Revenue contracts with terms of seven (7) years or more.

c. The following exception(s) to competition standards:

- 1) Sole Source Procurements
- 2) Waivers in excess of \$25,000 for regular and ECP procurements and in excess of \$300,000 for specified ECP procurements. See Section 7.10030(2)(c) of this policy.

Refer to Section 07.10030 following for a detailed explanation of exceptions to competition, including emergencies.

d. Time extension(s) exceeding 90 days in total for any one procurement or revenue or zero dollar transaction (includes contracts, purchase orders, purchase order modifications, change orders and contract amendments; excludes extensions to procurements of commodities or equipment).


e. Any revenue transaction, or increase or reduction, in excess of \$100,000. In the case of renewals, the \$100,000 threshold shall apply on a fiscal year basis.

f. Any procurement of:

- 1) Professional services under CCNA, including continuing contracts, except ECP CCNA contracts, in excess of \$50,000. In the case of renewals, the \$50,000 threshold shall apply on a fiscal year basis. In the case of Work Orders under Work Order contracts that do not originally indicate a total not-to-exceed consideration amount, the \$50,000 threshold shall apply on a fiscal year basis.

ECP professional services under CCNA, including continuing contracts, in excess of \$150,000. In the case of amendments, the \$150,000 threshold shall apply on a per amendment basis, with no fiscal year cap.



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- 2) Contractual services, except ECP contractual services, in excess of \$50,000. In the case of renewals, the \$50,000 threshold shall apply on a fiscal year basis. In the case of Work Orders under Work Order contracts that do not originally indicate a total not-to-exceed consideration amount, the \$50,000 threshold shall apply on a fiscal year basis.

ECP contractual services in excess of \$150,000. In the case of renewals, the \$150,000 threshold shall apply on a fiscal year basis.

- 3) Construction contracts, except ECP construction contracts, in excess of \$100,000.

ECP construction contracts, in excess of \$300,000.


- 4) The sum of construction contract change orders, except ECP construction contract change orders, (positive plus negative), exceeding a positive total of \$100,000 or 10% of the cost of the originally approved contract, whichever is less.

ECP construction contract change orders exceeding \$500,000 per change order or 10% of the cost of the originally approved contract, whichever is less, and/or not to exceed a 90-day contract time extension.

- 5) Commodities in excess of the approved annual District budget for commodities, by appropriation unit.
- 6) Equipment in excess of the approved annual District budget for equipment, by appropriation unit, excluding unbudgeted capital items which are funded from capital outlay savings achieved within the approved annual District budget for equipment.

2. Notes regarding Governing Board authority in items 1.a-1-e above:


- a. Transactions consisting of both commodities (or equipment) and services require Governing Board approval only if the services dollar amount exceeds the foregoing thresholds or if either item 1.e.5 above or item 1.e.6 above apply.

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- b. References to work orders above include purchase orders issued as work orders.
- c. References to contract amendments above include purchase orders issued as contract amendments.
- d. References to renewals above include purchase orders issued as renewals.
- e. Work orders issued under contracts that originally indicate a total not-to-exceed consideration amount do not require Governing Board approval as long as the total contract amount is not exceeded. (If the contract amount would be exceeded, prior approval and execution of a contract amendment to increase contract funding is required.)
- f. Governing Board approval of unbudgeted items shall adhere to the foregoing thresholds.

**07.10011      Governing Board Delegation to Executive Director**

- 1. The Governing Board delegates all procurement, revenue and zero dollar transaction, execution and other authority (see definitions) to the Executive Director, except for those items in Section 07.10015 that specifically require Governing Board approval.
- 2. The Governing Board authorizes the Executive Director or his/her delegates to develop and implement all practices and procedures necessary to carry out the provisions of this Policy. **Authority and the responsibilities covered by this Policy can be delegated only to District employees.**
- 3. The Executive Director may delegate any of the procurement, revenue and zero dollar transaction, execution, termination and other authority delegated to him/her, to his/her respective delegates. (See Standard No. 07.101 - Delegation of Executive Director Procurement, Revenue and Zero Dollar Transaction, Execution and Other Authority.)
- 4. The Governing Board delegates execution authority to the Executive Director or his/her delegatee for all contracts and agreements authorized by the Governing Board. Therefore, a contract requiring Governing Board approval

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may be executed by the Executive Director or his/her delegates after the contract has been authorized by the Governing Board.

5. The Governing Board delegates maintenance responsibility and revision approval authority for the District Standards related to this Policy as follows:


<u>Standard</u>	<u>Delegation to:</u>
No. 07.101 Delegation of Executive Director Procurement, Revenue and Zero Dollar Transaction, Execution and Other Authority	Executive Director or delegatee
No. 07.102 Procurement Instruments	Director, Procurement
No. 07.103 Purchasing and Contracting Definitions	Director, Procurement

6. The Governing Board delegates authority to terminate (in writing) existing contracts to the Executive Director or his/her delegates, with the prior concurrence of Office of Counsel.
7. The Governing Board delegates all "other authority" (as defined) to the Executive Director or his/her delegates.

**07.10012      Points of Clarification Regarding Delegation to Executive Director**

**1. Procurement Authority:**

- a. Purchase Orders and Purchase Order Change Orders for services require Governing Board approval in the same instances as contracts and contract amendments.
- b. Procurement authority for contract amendments and construction contract change orders to expenditure contracts which reduce the contract amount is delegated to the Executive Director or his/her delegates (see the Revenue and Zero Dollar Transaction Authority Notes below for separate


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information regarding contract amendments which reduce the contract amount in the case of revenue contracts).

- c. Procurement authority for certain procurement transaction revisions (contract amendments, purchase order change orders for services, construction contract change orders, and work orders) which do not have a fiscal impact (positive or negative) or do not extend the period of performance of the original procurement transaction is delegated to the Executive Director or his/her delegates.
- d. Procurement authority for certain procurement transaction revisions (contract amendments, purchase order change orders for services, renewals, construction contract change orders, and work orders) may differ from the procurement authority for new procurements (contracts, construction contracts and purchase orders for services). The cost and time of the procurement revision in question plus the cost and time of all prior procurement revisions (including expenditure reductions) and the original procurement since the last Governing Board approval governs the procurement authority and applicable threshold for any procurement revision. Once Governing Board approval is obtained, a new cycle of delegation begins until the threshold or true period is again passed, requiring Governing Board approval anew.

Example: An expenditure contract for contractual services for \$250,000 is initially approved by the Governing Board and then is subsequently amended for -\$100,000, again for \$160,000 and then a third time for \$45,000 (assume that none of the amendments involve time extensions).

<u>Transaction</u>	<u>Dollar Amount</u>	<u>Board Approval Required?</u>
Contract	\$250,000	Yes. Exceeds \$50,000.
Amendment 1	-\$100,000	No. Negative amendments to expenditure procurements do not require Board approval.


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Amendment 2      \$160,000      Yes. Transaction total since last Board approval is now \$60,000, which exceeds \$50,000.

Amendment 3      \$45,000      No. Transaction total since last Board approval is now only \$45,000, which is below the \$50,000 threshold.

ECP Example: A construction contract for an STA in the amount of \$10,000,000 is initially approved by the Governing Board and then is subsequently amended for -\$500,000, again for \$2,000,000 and then a third time for \$100,000 (assume that none of the amendments involve time extensions).

<u>Transaction</u>	<u>Dollar Amount</u>	<u>Board Approval Required?</u>
Contract	\$10,000,000	Yes. Exceeds \$300,000.
Amendment 1	-\$500,000	No. Negative amendments to expenditure procurements do not require Board approval.
Amendment 2	\$2,000,000	Yes. Change Order exceeds \$500,000.
Amendment 3	\$100,000	No. Change Order does not exceed \$500,000 or 10% of the contract amount.


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## 2. Revenue and Zero Dollar Transaction Authority:

- a. Revenue transaction authority for contract amendments to revenue contracts which reduce the contract amount is not delegated in all instances to the Executive Director. Any revenue transaction increase or reduction (subject to item 07.10015 1.d) in excess of \$100,000 (per fiscal year for renewals) requires Governing Board approval.
- b. Authority for revenue and zero dollar transaction revisions (contract amendments which do not have a fiscal impact (positive or negative) and work orders to expenditure contracts that originally indicate a not-to-exceed consideration amount) which do not extend the period of performance of the original non-procurement transaction is delegated to the Executive Director or his/her delegates.
- c. Revenue transaction authority for certain revenue transaction revisions may differ from the revenue transaction authority for new revenue transactions. The dollar amount of the revenue transaction revision in question plus the dollar amount of all prior revenue transaction revisions (including revenue reductions) and the original revenue transaction since the last Governing Board approval governs the revenue transaction authority and applicable threshold for any revenue transaction revision. Once Governing Board approval is obtained, a new cycle of delegation begins until the threshold is again passed, requiring Governing Board approval anew.

Example: A revenue contract for \$250,000 is initially approved by the Governing Board and then is subsequently amended for -\$100,000 again for \$90,000, again for \$30,000 and then a fourth time for -\$90,000 (assume that none of the amendments involve time extensions).

<u>Transaction</u>	<u>Dollar Amount</u>	<u>Board Approval Required?</u>
Contract	\$250,000	Yes. Exceeds \$100,000.
Amendment 1	-\$110,000	Yes. Transaction total since last Board approval is -\$110,000, which exceeds -\$100,000.


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Amendment 2	\$90,000	No. Transaction total since last Board approval is now only \$90,000, which is below the \$100,000 threshold.
Amendment 3	\$30,000	Yes. Transaction total since last Board approval is now \$120,000, which exceeds \$100,000.
Amendment 4	-\$90,000	No. Transaction total since last Board approval is now only -\$90,000, which is below the -\$100,000 threshold.

**07.10013      Standards for Competitive Procurement**

The following Standards for Competition shall be used for all District procurements as well as revenue and zero dollar transactions.

1. For every procurement and revenue transaction that requires formal competition, the District shall advertise the opportunity to compete in a newspaper of general circulation in the county where the work is to be performed.
2. There are four Standards for Competition:
  - a. General Procurements      Represent the majority of District purchases.
  - b. Professional Services Procurements subject to CCNA      Involve services for architecture, professional engineering, landscape architecture and registered land surveying. CCNA procurements must follow the procedures set forth in Section 287.055, Florida Statutes.
  - c. Special Procurements      Have characteristics that dictate a different Standard for Competition than that for General Procurements.


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- d. Revenue and Zero Dollar Transactions      Do not involve an expenditure of District funds; they may have a positive or neutral fiscal impact on the District and, as such, also have characteristics that dictate a different Standard for Competition than that for General Procurements.

3. The following principles govern Standards for Competition:

- a. All types of procurement may be made without District competition, as long as it can be documented in writing that such procurement results in the best priced value for the District, by using the State of Florida contract, General Services Administration schedules, or other government procurement contracts. Such procurements are covered under the Special Procurements category (see item 6 following).
- b. A pre-qualified list of potential contractors may be established annually using a Request for Information (RFI). All RFIs must be renewed annually. For non-construction procurements of \$100,000 or less, following annual establishment of the pre-qualified list of potential contractors, written quotations may be solicited from the pre-qualified vendors in lieu of a Request for Bids (RFB) (refer to definition of Request for Quotes.) When a Request for Proposals (RFP) is the appropriate form of solicitation (as opposed to an RFB), an RFI may only be used to establish a pre-qualified list of potential contractors as part of a two-step solicitation. Following establishment of the pre-qualified list, the RFP is then issued to only those potential contractors deemed to be qualified during the RFI stage.
- c. District solicitations are valid as the basis of a contract for a period of one (1) year from the date of solicitation opening. After this period, new solicitations for the same commodities, equipment or services must be issued (see item g. following).
- d. Construction procurements of \$200,000 or less may use three written quotes in lieu of a Request for Bids. Standardized procedures must be implemented to assure a fair distribution of the work. Diversity and location of the work will be considered in the selection of the firms from which to solicit quotes.




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- e. The dollar amount required for the procurement of particular commodities, equipment or services from one source shall not be intentionally divided among two or more procurements as a means of avoiding the Standards for Competition.
- f. The Standards for Competition are the same regardless of the procurement instrument used (i.e., purchase order vs. written contract).
- g. Standards for Competition do not apply to contract amendments, work orders, renewals, construction contract change orders and purchase order change orders. However, for those procurements that were initially subject to competition, procurements effected via amendments, work orders, renewals, construction contract change orders or purchase order change orders must have either been contemplated in the original solicitation or be so similar to the original solicitation that resoliciting would be redundant.

#### 4. General Procurements

The following minimum Standards for Competition govern all types of procurement (purchase orders and contracts), except for Professional Services Procurements subject to CCNA, Special Procurements, and Revenue and Zero Dollar Transactions.

Note that "Total Purchase Amount" means the full amount of the individual transaction regardless of the cost of the individual items purchased or the number of documents used.


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Total Purchase Amount	Minimum Standard for Competition
Up to \$10,000	None. Verbal quotations highly desirable (see definition of Request for Quotes)
Over \$10,000 up to \$50,000	Yes. Written (including faxed) quotations required (see definition of Request for Quotes)
Over \$50,000	Yes. Request for Bids or Request for Proposals required except for non-construction procurements of \$100,000 or less to which principle 3.b. above applies (RFI/quotes in lieu of RFB)

5. Professional Services Procurements subject to CCNA

The following Standards for Competition govern all procurements of Professional Services (purchase orders and contracts) subject to the requirements of the Consultant's Competitive Negotiation Act (CCNA), Section 287.055, Florida Statutes, involving the services of architects, professional engineers, landscape architects and registered land surveyors. Threshold amounts are set under Section 287.017(1), Florida Statutes, and are subject to revision. The District will adhere to any revised threshold amounts.

Type	Amount	Standard for Competition
Professional Services - construction costs	More than \$250,000 (the threshold for Category Five)	CCNA competitive selection and negotiation procedures
Professional Services - construction costs	\$250,000 (the threshold for Category Five) or less	None; Direct negotiation with desired vendor is permitted
Professional Services - planning or study activities	Total fee is more than \$25,000 (the threshold for Category Two)	CCNA competitive selection and negotiation procedures
Professional Services - planning or study activities	Total fee is \$25,000 (the threshold for Category Two) or less	None; Direct negotiation with desired vendor is permitted
Continuing Contracts	For projects or for work of	CCNA competitive selection

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Type	Amount	Standard for Competition
<u>Only</u> Professional Services - construction costs	a specified nature as outlined in the contract, or as stipulated in Florida Statutes	and negotiation procedures
<u>Continuing Contracts</u> <u>Only</u> Professional Services - planning or study activities	For projects or for work of a specified nature as outlined in the contract, or as stipulated in Florida Statutes	CCNA competitive selection and negotiation procedures


## 6. Special Procurements

The District recognizes that there may be circumstances which will make the use of the Standards for Competition required for General Procurements impracticable or less efficient. There may also be circumstances which provide an opportunity for the District to use procurements to pursue the objectives related to programs such as Supplier Diversity. These circumstances may include, but are not limited to, the following:


- a. qualitative requirements;
- b. procurements from professions or businesses which do not customarily engage in competition;
- c. procurements from entities which are prohibited from competing by law.
- d. procurements limited to District certified M/WBE firms in order to increase M/WBE participation in underutilized industry categories (i.e. sheltered markets).

The following Standards for Competition apply to the corresponding types of Special Procurements.

Type of Special Procurement	Standard for Competition Required
Procurements using State of Florida contracts,	None

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Type of Special Procurement	Standard for Competition Required
General Services Administration schedules, or other government procurement contracts	
Legal services, including paralegals; expert witness and outside counsel fees; court reporting services; mediators, arbitrators and dispute resolution services	None
Health services including examination, diagnosis, treatment, prevention, medical consultation or administration	None
Away-from-base aircraft services and repairs	None where local procurement is essential to keep aircraft operational. Pilot will procure under most practicable competition
Cost-sharing or Cooperative Agreements with educational institutions for research, study or training	None; however, if more than one institution can provide comparable products or services, then follow Standards for General Procurements*
Cost-sharing or Cooperative Agreements with governmental entities (other than educational institutions)	None; however, the contracting governmental entities shall comply with all the requirements of Florida law
Cost-sharing or Cooperative Agreements with not-for-profit entities (other than educational or governmental institutions)	None; however, if more than one entity can provide comparable products or services, then follow Standards for General Procurements
Sheltered Market under the M/WBE Contracting Rule	Competitive among District certified M/WBE firms
Insurance	Follow Standards for General Procurements under normal market conditions. Abnormal market conditions, as determined by the Executive Director, may permit direct negotiation
Licensing, maintenance or service agreements	None, if warranty requirements or

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Type of Special Procurement	Standard for Competition Required
	compatibility requirements limit selection to the manufacturer. If no warranty or compatibility requirements exist, then follow Standards for General Procurements
Artistic services or lecturers	None
Training services or organizational development services	None; however, if more than one such firm or individual can provide comparable products or services, then follow Standards for General Procurements
Leases of District office space	For leases within the scope Procurement Policy No. 07.100 involving 3,000 square feet or more, follow Standards for General Procurements. For leases within the scope of Purchasing and Contracting Policy No. 07.100 involving less than 3,000 square feet, direct negotiation is permitted**
Leases and rentals of other types of personal property (not <u>real</u> property)	Follow Standards for General Procurements

**Notes:**

- Preferential consideration shall be given to universities in the Florida State University System for projects or studies relating to research, restoration or similar projects or studies if all submittals are equal with respect to price, quality and service.

\*\* Refer to Section 07.10002 of Purchasing and Contracting Policy No. 07.100 for a list of Purchasing and Contracting activities which are not within the scope of Policy No. 07.100.

**7. Revenue and Zero Dollar Transactions**

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Revenue and Zero Dollar Transactions may have a positive or neutral fiscal impact on the District, as well as a significant operating impact on District operations and finances.


The following minimum Standards for Competition govern all non-procurement transactions.

Type of Transaction	Standard for Competition Required
Revenue (except sales of spoil, which are governed by Rule 40E-9, Florida Administrative Code, and, as such, are <u>not</u> covered by this Standard)	Follow Standards for General Procurements <u>except</u> for revenue transactions in which Special Procurement Standards are applicable (example: government entities) and all reimbursement transactions for which no competition is ever required
Zero-dollar transactions (do not involve income or expenditure)	None

#### 07.10030      Exceptions to Competitive Procurement Standards

1. The District recognizes that there may be circumstances which will justify exceptions to the Standards for Competition. All exceptions to the Standards for Competition must be supported by documentation from the Department or Office justifying the exception which addresses the following:
  - a. The circumstances which resulted in the need for the exception to the Standards for Competition; and
  - b. How the District's goals of public confidence, competitive price and fairness will be preserved by the method of selection used.

Prior to any negotiations, written pre-approval of the documentation supporting the exception to competition must be obtained from the Executive Director or delegatee.

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2. Provided that the documentation requirements have been met, a procurement may be awarded by direct negotiation and without competitive selection under the following exceptions to competition.

- a. Emergencies

If the Executive Director or his/her delegatee determines that the procurement of services without competition is necessitated in order to respond to an immediate danger to the public health, safety, welfare or other substantial loss to the public, he or she may proceed with such procurement accordingly. However, such procurement shall not exceed the amount of \$500,000. The need for such procurement without competition shall be evidenced in writing. In order to make procurement of services in an amount greater than \$500,000, the Governing Board must make a determination that emergency conditions exist. All procurements made pursuant to this paragraph shall be reported to the Governing Board within thirty (30) days.

Whenever the President of the United States, or the Governor of the State of Florida, or the head of the Department of Environmental Protection shall formally declare that a major disaster area exists anywhere within the boundaries of the District, or issues an emergency order temporarily suspending the application of any specified laws otherwise applicable to the operations of the District, then the Executive Director of the District shall have the authority to undertake all such actions, without competition, regarding the procurement of commodities, equipment and services so required to deal with the emergency conditions up to the next meeting of the Governing Board notwithstanding that such authority resides in the Governing Board. At the next Governing Board meeting, the Board shall determine if the further emergency procurement of commodities, equipment and services is still required. However, all emergency procurements shall be made with such competition as is practicable under the circumstances. The Executive Director shall report to the Governing Board all actions taken pursuant to this exception within thirty (30) days.

- b. Sole Source Procurements

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If it is recommended by the Department or Office requesting the procurement and pre-approved by the Executive Director (or delegatee) that only one source is practical, the Governing Board may then officially approve a sole source procurement.

c. **Waivers**


The Executive Director or delegatee may elect to waive the Standards for Competition for procurements totaling up to and including \$50,000. (SEE ECP exception).

The Executive Director or delegatee may request that the Governing Board waive the Standards for Competition for procurements in excess of \$50,000. (See ECP exception).

For the ECP, the Executive Director or delegatee may elect to waive the standards for competition for procurements totaling up to and including \$300,000. The Executive Director or delegatee may waive the standards for competition under this provision only in order to respond to an immediate need to secure or stabilize a construction site in order to prevent danger to the public or substantial loss of public funds already expended. Each such waiver shall be reported to the Governing Board at its next regularly scheduled meeting.


For the ECP, the Executive Director or delegatee may request that the Governing Board waive the Standards for Competition for procurements in excess of \$300,000.



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### 07.10015      Delegation of Authority

Delegation of Authority		
From	To	Type of Authority
Governing Board	Executive Director/Director of Procurement/Delegatee	Authority to execute all procurement, revenue and zero dollar transactions, terminations and other authority (see definitions), except for those items in Section 07.10015 that specifically require Governing Board approval.
Governing Board	Executive Director/Director of Procurement/Delegatee	Authority to develop and implement all practices and procedures necessary to carry out the provisions of this Policy. <b>Authority and the responsibilities covered by this Policy can be delegated only to District employees.</b>
Executive Director	Procurement Director/Delegatee	Authority to execute all procurement, revenue and zero dollar transactions, terminations and other authority delegated to him/her, to his/her respective delegates.
Governing Board	Executive Director/Director of Procurement/Delegatee	Authority to execute all contracts and agreements authorized by the Governing Board.
Governing Board	Executive Director/ Director of Procurement/Delegatee	Authority for maintenance responsibility and revision approval authority for the District Standards related to this Policy.
Governing Board	Executive Director/Director of Procurement/Delegatee	To terminate (in writing) existing contracts with prior concurrence of Office of Counsel.
Governing Board	Executive Director/Director of Procurement/Delegatee	All "other authority" (as defined).
Governing Board	Executive Director/Director of Procurement/Delegatee	Authority to procure services without competition in emergency conditions not to exceed \$500,000. These procurements must be

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		documented in writing and reported to the Governing Board within thirty (30) days.
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## MISCELLANEOUS PROVISIONS

WMD 40E-7.201

1/93

**PART II: PROCEDURES FOR CONTRACTING OF PROFESSIONAL  
AND CONTRACTUAL SERVICES****40E-7.201 Policy and Purpose.**

(1) The rules in this part provide procedures for the selection of firms to provide professional services, and contractual services, and provide procedures for negotiating contracts.

(2) Definitions.

(a) "Committee" means the Proposal Evaluation Committee.

(b) "Contract award" means the authorization to enter into the contract by the appropriate level of authority within the District.

(c) "Contractual service" means the rendering by a contractor of its time and effort rather than furnishing specific commodities and does not include professional services. *Does not include commodities or effort*

(d) "Firm" means any individual, firm, partnership, corporation, association, or other entity permitted by law to do business in the State of Florida.

(e) "Project" means that fixed capital outlay project, study, planning, operational or other activity described in the notice published by the District.

(f) "Professional services" means those services within the scope of practice of architecture, professional engineering, landscape architecture, or registered land surveying, as defined by the laws of the state, or those performed by an architect, professional engineer, landscape architect, or registered land surveyor, in connection with his professional employment or practice.

(3) The District will publish notice of the solicitation in a newspaper of general circulation in the appropriate geographic areas whenever competitive solicitation is required for professional or contractual services. The notice will include a general description of the project and will indicate the method by which interested firms may apply for consideration and the final date and place for opening of sealed responses.

Specific Authority: 287.055(3)(d), 373.044, 373.113, F.S.

Law Implemented: 287.055, 373.083(1), F.S.

History: New 9-3-81, Formerly 16K-1.18, Amended 10-19-87, 2-18-90.

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PART II: PROCEDURES FOR CONTRACTING OF PROFESSIONAL  
AND CONTRACTUAL SERVICES

**40E-7.203 Qualifying Procedures.**

(1) By January 1 of each year, firms desiring to provide professional services to the District should submit current statements of qualifications and performance data. The District's Division of Procurement and Contract administration will in conjunction with other appropriate District staff review this data and determine if the firm is qualified to perform the required professional service.

(2) The District's Division of Procurement and Contract Administration may prequalify firms desiring to provide contractual services through a request for qualifications or by the requirements of any individual projects.

Specific Authority: 287.055(3)(d), 373.044, 373.113, F.S.

Law Implemented: 287.055, 373.083(1), F.S.

History: New 9-3-81, Formerly 16K-1.18(1), Amended 10-19-87, 2-18-90.

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**40E-7.205 Competitive Selection for Professional Services.**

For each District project requiring professional services the Committee will follow the procedures outlined in Section 287.055(4), F.S. The Committee will report its written selections to the Executive Director, or his designee, with a recommendation to authorize District staff to negotiate a contract in full accordance with procedures set forth in this rule. In the event the Committee determines that no firms are qualified to be selected for negotiations, it shall so report to the Executive Director, or his designee. The District shall then either repeat the solicitation process, or cancel the solicitation.

Specific Authority: 373.044, 373.113, F.S.

Law Implemented: 287.055, F.S.

History: New 9-3-81, Formerly 16K-1.18(2), Amended 10-19-87, 2-18-90, 1-17-93.

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**40E-7.206 Competitive Selection for Contractual Services.**

(1) For each District project requiring contractual services, District staff shall determine if sealed, competitive bidding is practicable. For those projects for which sealed, competitive bidding is practicable, the District will publish notice of the solicitation as set forth in Rule 40E-7.201(3), F.A.C. After opening and reviewing bids, District staff shall recommend to the Board, or to the Executive Director or his designee, that the contract be awarded to the lowest responsive bidder.

(2) For those projects requiring contractual services for which sealed competitive bidding is not practicable but for which sealed competition is necessary, the Committee will evaluate the sealed proposals submitted in response to solicitations issued by the District. The Committee may require a public presentation

## MISCELLANEOUS PROVISIONS

WMD 40E-7.206(2)(c)

1/93

### PART II: PROCEDURES FOR CONTRACTING OF PROFESSIONAL AND CONTRACTUAL SERVICES

(c) The Committee will present its selection in writing, to the Executive Director or his designee with a recommendation to authorize District staff to negotiate a contract according to the procedures set forth in this rule.

(d) In the event the Committee determines that no firms are qualified to be selected for negotiations, it shall so report to the Executive Director or his designee. The District shall then either repeat the solicitation process, or cancel the solicitation.

Specific Authority: 373.044, 373.113, F.S.

Law Implemented: 287.087, 373.083(1), F.S.; Chapter 92-288, Laws of Florida.

History: New 2-18-90, Amended 1-17-93.

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**40E-7.2081 Competitive Negotiations for Professional Services.** When the Executive Director or his designee approves the Committee's ranking of the respondents to the solicitation for professional services, the Executive Director or his designee shall authorize negotiations pursuant to the procedures set out in Section 287.055(5), F.S. When so authorized, District staff shall proceed with contract negotiations for professional services with the designated firms in the rank order approved. Should District staff be unable to negotiate a satisfactory contract with any of the selected firms, the Committee will select additional firms consistent with the requirements of this rule and negotiations shall continue consistent with Section 287.055, F.S. Subsequent to successful negotiations, District staff will recommend to the Board that the contract be awarded. However, for all such contracts of \$50,000 or less in value, the District staff may recommend to the Executive Director or the Deputy Executive Director that the contract be awarded. In the event the District is unable to negotiate a satisfactory contract with any of the selected firms, the District shall either cancel or readvertise the solicitation.

Specific Authority: 373.044, 373.113, F.S.

Law Implemented: 287.055, F.S.

History: New 2-18-90, Amended 5-26-91, 1-17-93.

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**40E-7.2091 Competitive Negotiations for Contractual Services.**

(1) The Committee will review proposals for contractual services for compliance with the specifications set forth in the solicitation. When authorized by the Executive Director, or his designee, District staff shall negotiate for contractual services on terms most favorable to the District. Staff shall recommend to the Board or to the Executive Director, or his designee, that the contract be awarded to the most responsible offerer. The most responsible offeror is the firm whose offer is the most advantageous to the District, taking into consideration the price and other criteria set forth in the District's solicitation for contractual services.

*Time efficient not just proposal  
(is not recommended)*

## MISCELLANEOUS PROVISIONS

WMD 40E-7.2111 History

1/93

### PART II: PROCEDURES FOR CONTRACTING OF PROFESSIONAL AND CONTRACTUAL SERVICES

Specific Authority: 120.53(1), 373.044, 373.113, F.S.

Law Implemented: 287.055(6), F.S.

History: New 2-18-90.

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40E-7.2121 Truth in Negotiation Certification. Each contract for professional services shall contain a certification by the firm of truth-in-negotiation to the extent, and in the manner provided in Section 287.055(5), F.S.

Specific Authority: 373.044, 373.113, F.S.

Law Implemented: 287.055(5), F.S.

History: New 2-18-90.

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#### 40E-7.213 Design-Build Contracts.

(1) The District shall award design-build contracts as defined in Section 287.055(2)(i) under the following procedures:

(a) If the District determines that a design-build contract is the appropriate method of procurement for any construction project, it shall prepare a design criteria package for the design and construction of the project using either District staff or a retained design criteria professional.


(b) The District shall issue a solicitation for the project and qualify and select no fewer than three design-build firms as the most qualified, based on qualification, availability, and past work of the firms, including the partners or members thereof.

(c) The District shall establish criteria for the evaluation of design-build contract proposals or bids, based on price, technical, and design aspects of the project.

RFP (d) Subsequent to the establishment of said criteria, the District shall issue a solicitation for competitive proposals pursuant to a design criteria package from those design-build firms which have been qualified and selected, and shall evaluate the proposals or bids according to said criteria.

(2) In case of public emergencies, the Agency Head may declare a public emergency and the District may negotiate a design-build contract with the best qualified firm available at that time.

(3) Whenever the President of the United States, or the Governor of the State of Florida, or the Secretary of Environmental Regulation shall formally declare that a major disaster area exists anywhere within the boundaries of the District, or issues an emergency order temporarily suspending the application of any specified laws otherwise applicable to the operations of the District, then the Executive Director of the District shall have the authority to undertake all

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07.10501      Contents

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5	07.10520 Requesting a Procurement Card
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11	07.10525 Accountability and Review of Procurement Card Purchases
12	07.10599 Exhibits


07.10502      Scope

Procedures applicable to the use of the District's Procurement Card.

07.10503      Purpose

1. To establish a set of procedures for use of the Procurement Card.
2. To provide an efficient method of purchasing and paying for goods and services not exceeding \$499.99.
3. To ensure Procurement Card purchases are in accordance with the District's policies and standards.
4. To reduce the time spent by stores and procurement processing low dollar transactions.
5. To ensure the District bears no legal liability from inappropriate use of Procurement Cards.
6. To provide guidelines for corrective action if the Procurement Cards are misused.
7. To authorize Department, Office, Service Center and Field Station Directors to institute additional procedures and controls.



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07.10504      References

Procurement and Contracting Policy	07.100
Delegation of Executive Dir. Procurement, ...Authority	07.101
Procurement Instruments Standards	07.102
Procurement Definitions	07.103
Procurement Standard for Competition	07.104
Procurement Card Departmental Procedures	07.105
Corrective Action Policy	03.603

07.10505      Definitions


Refer to Procurement and Contracting Definitions (07.103).

07.10509      Introduction

The District's Procurement Card program is designed to improve efficiency in processing low dollar purchases from any vendor that accepts the credit card. The Procurement Card will allow the cardholder to purchase approved goods and services from any vendor that accepts a Visa Card. Each Procurement Card is issued in the name of the employee and South Florida Water Management District, with the sales tax exemption number. This information will be embossed on the card, identifying that the individual is a governmental buyer of goods and services.

The Procurement Card system is designed to delegate procurement responsibility to an authorized cardholder who can place an order directly with the vendor. When the supplier at the point-of-sale requests a purchase authorization, the issuing Procurement Card system validates the transactions against preset limits established by the Procurement Division. All transactions are approved or declined (electronically) based on the established Procurement Card authorization criteria. The authorization criteria may be adjusted periodically as needed and may include, but is not limited to, the following:

- Single purchase limits as set by the Procurement Director (not to exceed \$499.99). Department, Office, Service Center and/or Division Directors can establish lesser limits for their cardholders.
- The Department, Office, Service Center and/or Division Directors may establish 30-day billing cycle limit not to exceed \$15,000. To establish a 30-day billing cycle limits Directors shall keep in mind the unit's operating budget and the number of cardholders.

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## 07.10510      Responsibilities

The following is a summation of the responsibilities of the individuals and organization involved in the Procurement Card system.

### **Cardholder**

- Hold and secure Procurement Card
- Obtain Resource Manager approval for commodities requiring prior approval
- Order goods and services
- Collect and save receipts for each monthly billing cycle
- Match receipts with a monthly card statement
- Review monthly statements for validity of all transactions
- Review monthly charges with supervisor and/or the Assigned Card Representative
- Quickly identify and help resolve any disputed charges
- Follow established card related notification procedures
- Follow established card reporting procedures

**NOTE:** Neither the Bank nor the merchant bears any responsibility for inappropriate purchases. If a purchase was made by the Cardholder, the merchant will be paid and the department's budget charged unless the District returns the merchandise and the merchant agrees to take it back and issue a credit.


### **Department/Office/Service Center/Division Procurement Card Representative**

- Use reporting software program to generate the unit's reports as needed.
- Review monthly statements with cardholder
- Review and help resolve disputed items
- Forward statements with all receipts attached to Accounts Payable
- Follow established card related notification procedures

### **Department, Office, Service Center and or Division Director**

- Designate employees responsible for using Procurement Cards
- Request Procurement Cards for designated employees
- Set spending limits within established guidelines
- Collect cards from cardholders at end of employment
- Evaluate the need to cancel or reissue cards when employees transfer
- Notify the Procurement Card Administrator of terminated cards
- Review and sign the monthly statement authorizing charges


### **Procurement Card Administrator**

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- Coordinate issuance and cancellation of cards.
- Coordinate program policy issues
- Participate in ongoing program reviews
- Participate in resolving billing disputes
- Maintain Policy and Cardholder guides/manuals
- Approve/disapprove all Procurement Card requests
- Resolve supplier disputes
- Pursue supplier discount opportunities
- Evaluate Procurement Card feedback from vendors
- Coordinate minority business reporting requirements
- Establish and monitor bench marking objectives
- Coordinate and maintain internal controls
- Notify cardholders supervisor to include the Procurement Card usage as part of the employee's performance appraisal evaluation process.
- Target new cardholders and expanded use of card
- Enter Procurement Card issuance in the Ross Assign Employee Property Screen (PP01).
- Receive issuance and cancellations of Procurement Cards


#### **Accounts Payable**

- Receive notification of issuance and cancellations of Procurement Cards
- Receive a consolidated statement from Procurement Card issuer
- Receive all authorized individual statements and receipts
- Notify Directors when they do not receive approved monthly statements
- Pay all monthly charges from a consolidated statement
- Receive and store individual statements and receipts.

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07.10520      Requesting a Procurement Card

Performed by	Step/Action/Responsibility
Division or Office/ Dept/Service Center Director	1. Complete a "Procurement Card Requisition Form" and if Division Director, submit to Department Director for approval. Set single purchase limit and 30 day limit on purchases authority.
Dept/Office/ Service Center Director	2. Approve "Procurement Card Requisition Form". 3. Submit approved form to the Procurement Card Administrator (PCA) for processing.
Procurement Card Admin. (PCA)	4. Review form for accuracy and submit to issuing card company for processing.
Card Company	5. Produce cards and forward to PCA.
PCA	6. Verify cards received from company. 7. Notify employee Procurement Card is available for pick-up. 8. Enter Procurement Card as property in the Ross system. 9. Notify cardholder's supervisor to include the Procurement Card usage as part of the employee's performance appraisal evaluation process. 10. Notify Accounts Payable of new cardholders.
Employee (Cardholder)	11. Personally pick up card and sign "Procurement Cardholder Agreement" to acknowledge receipt and agree to the conditions established for its use. 12. Activate card following instructions provided on the affixed label.  <b>DO NOT</b> sign your name on the signature block on the back of the Procurement Card. Instead write: See Photo ID, District ID or Drivers License in the Signature area on the back of the card.

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07.10521 Card Security

1. MISPLACED, LOST OR STOLEN CARDS

Performed by	Step/Action/Responsibility
Cardholder	1. Immediately notify the Procurement Card Company by telephone to cancel Procurement Card. This notification must be made by the end of the workday. 2. Complete a "Missing Card Form" and forward to the assigned Card Representative and/or their Department/Service Center/Division Director by the end of the business day.
Director or Card Representative	3. Send PCA copies of "Missing Card Form" by the end of the business day.
PCA	4. Verify date and time of Procurement Card cancellation. 5. Request a replacement Card from Company, if applicable. 6. Notify Department, Service Center and Division Directors and Accounts Payable of the Procurement Card cancellation.

2. TERMINATION OR TRANSFER OF CARDHOLER

Performed by	Step/Action/Responsibility
Dept./Service Center Director	1. Collect the Procurement Card when cardholder is transferred to another Department or ends his/her employment. Procurement Card will be cut in half and forwarded to the PCA. 2. If unable to collect Procurement Card, notify the PCA by e-mail or memo by the end of the business day.
PCA	3. Contact Procurement Card company to cancel card in question. 4. Notify Director and Accounts Payable of cancellation.

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07.10522 Procedures for Making Purchases

1. PROCEDURES FOR PURCHASES REQUIRING RESOURCE MANAGER APPROVAL

Performed by	Step/Action/Responsibility
Cardholder	<ol style="list-style-type: none"> <li>1. Review Procurement Card Procedures (Exhibit 8) to determine if the commodity to be purchased requires Resource Manager approval. Makes determination that Resource approval is required.</li> <li>2. Send memo/e-mail to Resource Manager detailing the commodity to be purchased and request approval for said purchase.</li> <li>3. Wait for Resource Manager's approval before purchasing commodity.</li> <li>4. Attach Resource Manager's approval memo to the Procurement Card Charge Slip and Receipt Form.</li> </ol>

2. DOCUMENTATION OF OVER-THE-COUNTER PURCHASES

Performed by	Step/Action/Responsibility
Card Representative	<ol style="list-style-type: none"> <li>1. Collect and maintain the units' Procurement Card Receipt Form with the attached receipts and charge slips.</li> </ol>
Cardholder and Card Representative	<ol style="list-style-type: none"> <li>2. Forward the units' Procurement Card approved individual statements with documentation to Accounts Payable no later than five (5) days after the end of the 30-day payment cycle.</li> <li>3. Perform a weekly review of the electronic statement(s) and note any errors or disputes.</li> </ol>

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## 2. TELEPHONE ORDERS


Performed by	Step/Action/Responsibility
Cardholder	<ol style="list-style-type: none"> <li>1. Ensure tax-exempt status. Confirm that the vendor will charge the Procurement Card when shipment is made so that receipt of the supplies may be certified on the same monthly Statement of Account. Request that a receipt and charge slip of the transaction is mailed with shipment of goods purchased.</li> <li>2. Completes a Telephone Order Form for each transaction made with the Procurement Card.</li> <li>3. Upon receipt of shipment, attach receipt and charge slip to the Telephone Order Form. Submit completed form along with monthly statement.</li> </ol>
Card Representative	<ol style="list-style-type: none"> <li>4. Collect and maintain the unit's receipts and charge slips.</li> </ol>

## 3. INTERNET ORDERS

Performed by	Step/Action/Responsibility
Cardholder	<ol style="list-style-type: none"> <li>1. Purchases on the Internet are allowed only on sites that are listed as "secure". In Netscape, a secure site will display a solid key image at the bottom left hand corner of the display rather than a broken key image.</li> </ol>

## 4. SALES AND USE TAXES


Performed by	Step/Action/Responsibility
Cardholder	<ol style="list-style-type: none"> <li>1. Ensure that the vendor does not charge sales or use tax.</li> <li>2. If vendor charges sales tax, contact vendor for a credit equal to the amount of the sales tax.</li> </ol>

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07.10523 Payment and Invoice Procedures


Performed by	Step/Action/Responsibility
Procurement Card Company	<ol style="list-style-type: none"> <li>1. Electronically submit and/or mail the Agency's monthly statements to Accounts Payable.</li> <li>2. Mail individual Cardholder "information only" Statement.</li> <li>3. Mail Division 30-day billing "information only" statement to Accounts Payable.</li> </ol>
Cardholder and Card Representative	<ol style="list-style-type: none"> <li>4. Review the statement and note any errors or disputes and reconcile default account codes, if required by Director.</li> <li>5. Certify that charges are appropriate, authorized and all receipts are accounted for and filed.</li> <li>6. Submit the collect individual and division statements to Director for review and approval</li> </ol>
Director	<ol style="list-style-type: none"> <li>7. Sign individual cardholders statements certifying that all charges are authorized, appropriate and reconciled.</li> <li>8. Forward the signed that include the original receipts and charge slips to Accounts Payable Section of Accounting within five working days after receipt.</li> </ol>
Accounts Payable	<ol style="list-style-type: none"> <li>9. Ensure that statement received is reconciled against individual cardholders statements forwarded from the director.</li> <li>10. Ensure timely payments of 30-day billing statements by charging transaction to the Procurement Card default account number.</li> <li>11. Notify Department and Service Center Directors when individual statement is not received in the allotted time.</li> </ol>
Financial Services Director or PCA	<ol style="list-style-type: none"> <li>12. May cancel Procurement Card for failing to meet the five-workday deadline for three consecutive "billing cycles."</li> </ol>



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07.10524 Dispute Procedures

Performed by	Step/Action/Responsibility
Cardholder and /or Card representative	1. Contact the Merchant about the transaction and provide the necessary information to begin the resolution process, <b>AND</b> ; 2. Complete the Procurement Card company Dispute Form. Fax form to the Procurement Card company along with a copy of the statement if the item has posted, explaining the reason(s) for the dispute.
Procurement Card Company	3. Place the transaction into a disputed status.
Cardholder and/or Card Representative	4. Write the solution agreed upon on the bottom of the Dispute Form that was previously faxed to the Procurement Card company, if the problem is resolved between the merchant and the cardholder. 5. Fax completed Dispute Form to the Procurement Card company and the Procurement Card Administrator by the end of the workday. If an agreement cannot be reached the following steps will be completed:
Procurement Card Company	6. Determine who is responsible by researching the transaction including requesting a copy of the sales draft when necessary. When responsibility for the transaction is determined, the dispute will be settled. 7. When an account is in dispute status, include the disputed amount is still included in calculating the available money for authorization (monthly limit). At the time the item is placed in dispute, remove from all finance charge, late charge, overlimit fee, and past due amount calculations. 8. Finance charges, which accrue from posting until the item is placed in dispute, must be handled according to District. Any cardholder statements generated while the account is in dispute will display the following message:  YOUR ACCOUNT IS IN DISPUTE FOR \$XXX.XX THIS AMOUNT HAS NOT BEEN INCLUDED IN THE FINANCE CHARGE OR PAYMENT CALCULATIONS.


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Procurement Company	9. If a determination is made that the cardholder is actually responsible for the transaction, settle the dispute in favor of the merchant. No further dispute action is required. If the cardholder is deemed not responsible for the transaction, settle the dispute for the cardholder and have the Merchant process the charge.
Cardholder and Card Representative	10. Notify Director of Procurement or PCA, if problems continue with a particular vendor.

07.10525

Accountability

Performed by	Step/Action/Responsibility
Division Director or Designee	1. Review each Procurement Card expenditure (item purchases, amount and vendor) to ensure the goods or services were necessary, and for official use. 2. When purchases are questioned, resolve the issue with the cardholder.
Cardholder	3. When Director is not satisfied that the purchase was necessary and for official use, provide either a credit voucher proving the item(s) were returned for credit or provide a personal check made payable to the South Florida Water Management District for the full amount of the purchase plus applicable sales tax.
Director or Designee	4. Send Cardholder's personal check attached to a copy of the applicable billing statement to the Director of Accounting within one week. Include a written explanation of why the violation occurred and the action taken to prevent reoccurrence.
Accounts Payable	5. Forward cardholder's personal check to Cashier. 6. Advise Departments on process and account structure issues in their reviews of 30-day billing statements. 7. Monitor new cardholders account after (90) ninety days to verify that charges within the established District Standards.
Inspector General's Office	8. Perform evaluations on an as needed basis to verify that uses of the Procurement Card are in compliance with District Standards.

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07.10509    Exhibits

- 01 Procurement Card Cardholder Agreement
- 02 Procurement Card Requisition Form
- 03 Procurement Card Charge Slip and Receipt Form
- 04 Procurement Card Telephone Order/Missing Receipt Form
- 05 Procurement Card Dispute Form
- 06 Procurement Card Missing Card Form
- 07 List of Resource Managers and the commodities requiring their approval.
- 08 Procurement Card Users Manual

## Procurement Strategy

**Contract Number C-**  
**Project Title:**

### **General Information**

Project Manager:  
Estimated Contract Range:  
FY Quarter Solicitation Release:

Project Duration:  
Estimated Number of Awards:  
Competition Type:

#### **A. Background and Objectives**

#### **B. Marketing/Outreach Plan**

#### **C. Competition**

#### **D. Project Manager's Role**

## PROCUREMENT STRATEGY GUIDELINES

### ➤ **Purpose**

The guidelines set forth below are intended to provide assistance to District staff in formulating the planning strategy for all services requiring a formal competitive process (over \$50,000) and execution of a contract award.

### ➤ **Principles**

Procurement planning is the process by which the District, after determining the necessity to outsource a requirement, defines the existing market for the services, estimates the anticipated cost and determines the most appropriate method of procurement. The product of the planning process is a *Procurement Strategy* document that will determine the nature, type, scope and number of contracts required for a project by considering:

- Nature, complexity and dollar value of the anticipated work
- Scheduling and urgency
- Most appropriate source selection method
- Budget and funding levels by fiscal year
- Industry capabilities
- Minority opportunities

### ➤ **Strategy Team Meeting**

Formal Procurement planning is a team effort at the District, including staff professionals from Project management, Procurement, Office of Counsel, Budget, Equity in Contracting and Risk Management. Procurement planning, in general, is intended to maximize competition by providing contract opportunities for as many firms as possible, including minority participants, while satisfying the needs of the District in the most effective, economical and timely manner. Divisions will be responsible for developing timelines for project activities during the budget cycle to ensure that contract items are appropriately prioritized throughout the fiscal year.

A strategy meeting, comprised of the planning team members, will be held for each project to develop the best procurement approach, including the source selection process and outreach techniques that will be most appropriate for the particular project.

The team will use the meeting to discuss the results of the market research, project specific evaluation factors, information that may be needed from potential respondents to support those factors and other appropriate planning issues, including timetables for the procurement. The team will design a strategy that best reflects the specific requirement, the results of market research and the risks associated with the procurement. The information obtained in the strategy meeting will be used as the basis for developing the source selection/evaluation plan.

## ➤ **Governing Board Review**

The finalized Procurement Strategy will require review by the Governing Board prior to source selection and contract award for all projects that require a formal solicitation process for the acquisition of services (i.e., Request for Bids and Request for Proposals and any combination of such methods). These procedures will enable Governing Board members to review and approve competitive strategies for upcoming procurements before initiation of the solicitation/award process. An overview of the planning process, including critical timelines and discussion of the roles and responsibilities of each staff member, is set forth in the Procurement Manual.

## ➤ **Documentation**

A thoroughly contemplated plan is vital to any source selection process. In all source selections, the plan (procurement strategy) is tailored to reflect the complexity of the acquisition.

Source selection is a multi-disciplined team effort from the earliest planning stages. The procurement strategy (source selection plan) must address all the technical, business, management and other significant considerations that will control the procurement. The procurement strategy evolves from the needs requirement (Statement of Work or Specification) and program objectives of the District and is organized as follows:

**Page Header Information.** Provide the contract number and project title.

**General Information.** Provide the project manager, the anticipated project duration, estimated contract range, estimated number of awards resulting from the solicitation, the quarter planned for solicitation release - Q1 (Oct-Dec), Q2 (Jan-Mar), Q3 (Apr-Jun) or Q4 (Jul-Sept) and the competition type - RFB, 2-Step RFB, RFP, CCNA RFP or RFI.

**Background and Objectives.** Introduce the plan by a brief statement of need. Summarize the technical and contractual history of the acquisition. Discuss feasible procurement alternatives and any related in-house effort.

- ❑ ***Applicable Conditions.*** State all significant conditions affecting the procurement, e.g., requirements for compatibility with existing or future systems or projects and any known cost, schedule and compatibility constraints.
- ❑ ***Cost.*** Indicate whether opportunities have been or will be explored to obtain grant funds from other governmental agencies that may also be interested in the project objectives or are involved in similar legislative programs, which will offset District expenditures. Funds from outside sources should be considered when determining the estimated budget level set forth in the 'General Information' section.
- ❑ ***Services to be Performed.*** Describe the nature of the work to be performed and the timelines for the start and finish of the project activities. Specify the skills or technical knowledge required for this project and/or the required capabilities or performance characteristics of the supplies or services and state how they are related to the need.

Competition. Describe how competition will be sought and promoted throughout the procurement process.

- ❑ *Type of Solicitation.* Discuss and justify the use of sealed bidding (Request for Bids) or negotiation (Request for Proposals) or any combination of these methods. Describe the source selection methods to be utilized, including the timing for submission and evaluation of proposals, the relationship of evaluation factors (project specific) to the attainment of the procurement objectives and “best value” considerations for reviewing price in relation to the scope complexity and technical requirements.
- ❑ *Contracting Considerations.* Discuss and justify the selection of contract type, considering the assessment of risk in relation to the overall objectives of the project. Discuss whether options will be included, what special provisions may be needed and what equipment, if any, will be leased or purchased.

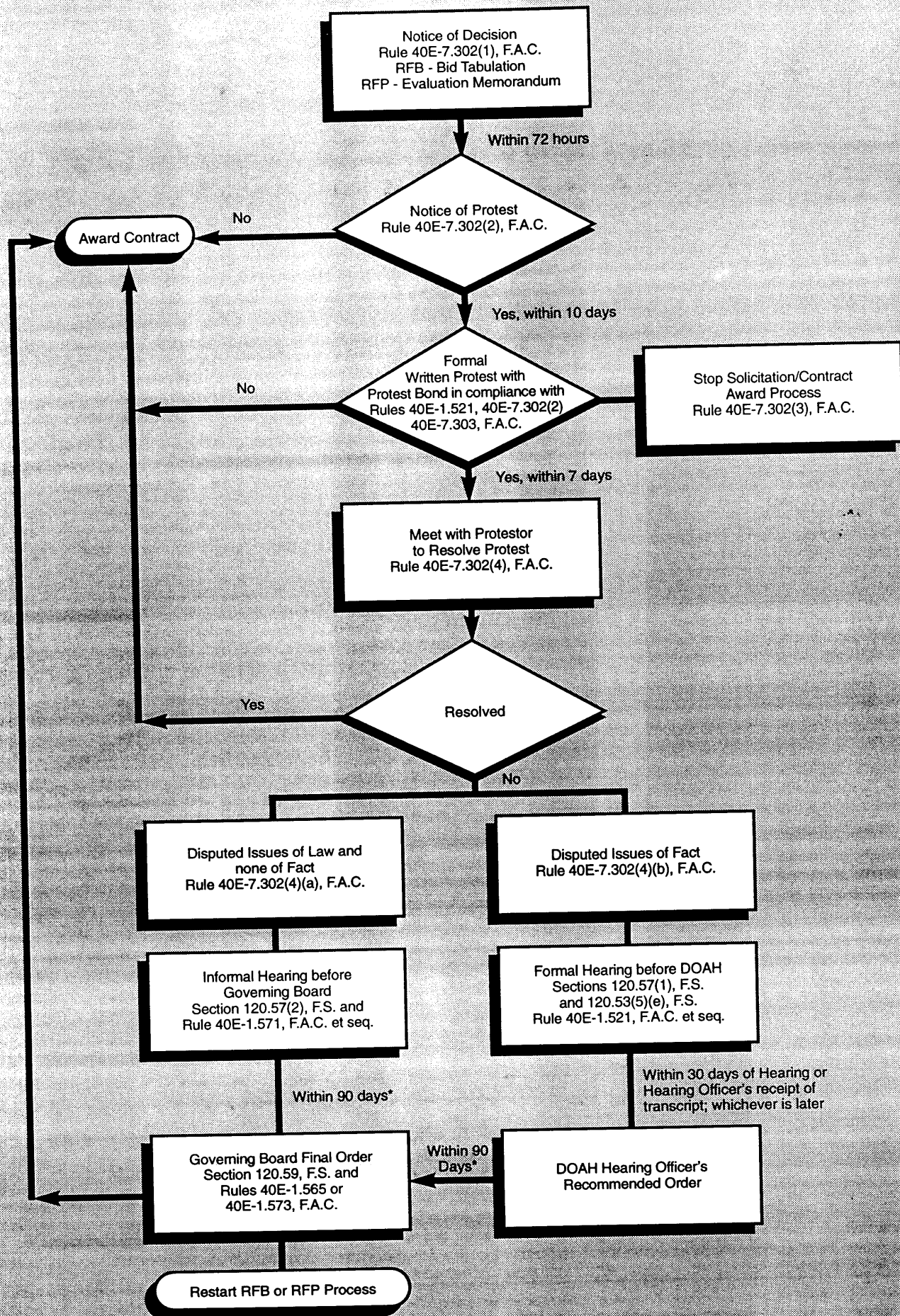
Marketing/Outreach Plan. Consider the anticipated response from competitors within the industry for these services in light of the number of potential respondents and the amount and location of the work to be performed.

- ❑ *Sizing of Project Components.* Address the extent and results of the market research and indicate their impact on the various elements of the plan. Consider and justify the number and size of contracts based on the manner in which the industry typically provides these services and the potential opportunities for obtaining a greater minority/small business response.
- ❑ *Outreach Campaign.* Briefly describe the overall outreach campaign that will be conducted, with consideration of the scope and size of the project, the communities most affected by the project and the availability of minority and small businesses participation.
- ❑ *Communication Efforts.* Consider the type of advertising (venues) and locations that should be targeted for maximum response. Describe the types of communication activities to be utilized, e.g., media plans, promotional items, workshops, etc.

Project Manager’s Role. For negotiated procurements, provide a rationale supporting the need for the participation of the Project Manager as a voting member of the selection committee or indicate that the Project Manager will serve as a technical advisor only.

If the recommendation is for the Project Manager to participate as a voting member of the selection committee, provide the number and type of projects on which the individual has served as Project Manager in the last five (5) years and the specific contractors managed by this individual in this timeframe.

# APPENDIX I BID/PROPOSAL PROTEST PROCEDURE



\* 90-day period may be waived or extended with the consent of all parties.







# South Florida Water Management District INTERIM CONTRACTOR PERFORMANCE EVALUATION SHEET

Page 1 of 2

**Instructions:** Interim performance evaluations shall be completed by the Project Manager for all contracts in excess of \$300,000 when contract performance is fifty percent (50%) complete, whenever a contractor's performance is "marginal" or "unsatisfactory" (after reasonable efforts have been taken by the District to improve performance) or at any other appropriate time. *Page 1:* Circle the appropriate ratings for questions 1 through 7. Complete questions 8 through 16 using concise explanations. Additional space is available on *Page 2*. Forward the evaluation form to Procurement for any additional comments on *Page 2*. The completed interim evaluation form will be retained in Procurement and will be available as a record of current performance for use in the evaluation process of future solicitations released by the District. The completed interim evaluation is available to the contractor only upon a Public Records request pursuant to Chapter 119, F.S.

Contract No. \_\_\_\_\_ Contractor \_\_\_\_\_

**Circle Appropriate Rating for Questions 1-7**

Performance Indicators	Rating				
	Exceptional	Very Good	Satisfactory	Marginal	Unsatisfactory
1. Planning and Approach	5	4	3	2	1
2. Staff Capability	5	4	3	2	1
3. Staff Effectiveness	5	4	3	2	1
4. Flexibility in Meeting District Goals	5	4	3	2	1
5. Promptness of Deliverables / Milestones / Reports	5	4	3	2	1
6. Report Quality	5	4	3	2	1
7. Quality of Work Completed	5	4	3	2	1

**Complete 8 - 16. Additional space is available on Side 2 of this form**

8. Current tasks completed and/or deliverables received? \_\_\_\_\_ YES \_\_\_\_\_ NO  
If no, reason: \_\_\_\_\_
9. Current work completed ahead/on schedule: \_\_\_\_\_ YES \_\_\_\_\_ NO \_\_\_\_\_ # OF DAYS LATE  
If no, reason: \_\_\_\_\_
10. Contract currently under/at budgeted cost? \_\_\_\_\_ YES \_\_\_\_\_ NO \$ \_\_\_\_\_ OVER  
If no, reason: \_\_\_\_\_
11. Contractor strengths: \_\_\_\_\_  
\_\_\_\_\_
12. Contractor weaknesses: \_\_\_\_\_  
\_\_\_\_\_
13. Specific problems incurred: \_\_\_\_\_  
\_\_\_\_\_
14. How may these have been prevented? \_\_\_\_\_  
\_\_\_\_\_
15. Additional comments / recommendations: \_\_\_\_\_  
\_\_\_\_\_



South Florida Water Management District  
**INTERIM CONTRACTOR PERFORMANCE EVALUATION SHEET**

Page 2 of 2

16. Currently recommend firm for future contracts of this type? \_\_\_ YES \_\_\_ NO \_\_\_ POSSIBLY (explain below)
17. Interim Overall Rating \_\_\_\_\_ (See explanation of ratings below)

\_\_\_\_\_  
Project Manager

\_\_\_\_\_  
Date

Please indicate any additional comments corresponding to the numbered question on Page 1 and/or Page 2:

<u>Number</u>	<u>Remarks</u>
# _____	_____
# _____	_____
# _____	_____

**Definitions of Overall Ratings:**

**Exceptional.** All or almost all of the performance indicators are rated "exceptional". No performance indicator should be rated "marginal" or "unsatisfactory".

**Very Good.** A majority of the performance indicators are rated "exceptional" or "very good". No significant performance indicator should be rated "marginal" or "unsatisfactory".

**Satisfactory.** No significant performance indicator should be rated "unsatisfactory". The quality of the current work is acceptable in an overall sense. However, it may be necessary to instruct the firm to correct some unacceptable work.

**Marginal.** One or two significant performance indicators are rated "unsatisfactory" or all or most performance indicators are rated "marginal". An unusual amount of extra effort and follow-up has been required on the part of the District to obtain acceptable deliverable(s).

**Unsatisfactory.** Several significant performance indicators are rated "unsatisfactory". This rating is appropriate for a firm that is not producing acceptable work in spite of extensive effort by the District.

**--- Procurement Department Use Only ---**

Please indicate any additional comments corresponding to the numbered question on Page 1 and/or Page 2:

<u>Number</u>	<u>Remarks</u>
# _____	_____
# _____	_____
# _____	_____

\_\_\_\_\_  
Contract Specialist

\_\_\_\_\_  
Date



# South Florida Water Management District FINAL CONTRACTOR PERFORMANCE EVALUATION SHEET

Page 1 of 2

**Instructions:** Final performance evaluations shall be completed by the Project Manager for all contracts in excess of \$50,000 at the time of work completion under the contract. *Page 1:* Circle the appropriate ratings for questions 1 through 7. Complete questions 8 through 16 using concise explanations. Additional space is available on *Page 2*. Forward the evaluation form to Procurement for any additional comments on *Page 2*. The completed final evaluation form will be retained in Procurement and will be available as a record of contractor performance for use in the evaluation process of future solicitations released by the District. The completed final evaluation is available to the contractor only upon a Public Records request pursuant to Chapter 119, F.S.

Contract No. \_\_\_\_\_ Contractor \_\_\_\_\_

**Circle Appropriate Rating for Questions 1-7**

Performance Indicators	Rating				
	Exceptional	Very Good	Satisfactory	Marginal	Unsatisfactory
1. Planning and Approach	5	4	3	2	1
2. Staff Capability	5	4	3	2	1
3. Staff Effectiveness	5	4	3	2	1
4. Flexibility in Meeting District Goals	5	4	3	2	1
5. Promptness of Deliverables / Milestones / Reports	5	4	3	2	1
6. Report Quality	5	4	3	2	1
7. Quality of Work Completed	5	4	3	2	1

**Complete 8 - 16. Additional space is available on Page 2 of this form**

8. All tasks completed and/or deliverables received? \_\_\_\_\_ YES \_\_\_\_\_ NO  
If no, reason: \_\_\_\_\_
9. Work completed ahead/on schedule: \_\_\_\_\_ YES \_\_\_\_\_ NO \_\_\_\_\_ # OF DAYS LATE  
If no, reason: \_\_\_\_\_
10. Contract completed under/at budgeted cost? \_\_\_\_\_ YES \_\_\_\_\_ NO \$ \_\_\_\_\_ OVER  
If no, reason: \_\_\_\_\_
11. Contractor strengths: \_\_\_\_\_  
\_\_\_\_\_
12. Contractor weaknesses: \_\_\_\_\_  
\_\_\_\_\_
13. Specific problems incurred: \_\_\_\_\_  
\_\_\_\_\_
14. How may these have been prevented? \_\_\_\_\_  
\_\_\_\_\_
15. Additional comments / recommendations: \_\_\_\_\_  
\_\_\_\_\_



South Florida Water Management District  
**FINAL CONTRACTOR PERFORMANCE EVALUATION SHEET**

Page 2 of 2

16. Recommend firm for future contracts of this type? \_\_\_\_\_ YES \_\_\_\_\_ NO \_\_\_\_\_ POSSIBLY (explain below)
17. Final Overall Rating \_\_\_\_\_ (See explanation of ratings below)

\_\_\_\_\_  
Project Manager

\_\_\_\_\_  
Date

Please indicate any additional comments corresponding to the numbered question on Page 1 and/or Page 2:

<u>Number</u>	<u>Remarks</u>
# _____	_____
# _____	_____
# _____	_____

Definitions of Overall Ratings:

**Exceptional.** All or almost all of the performance indicators are rated "exceptional". No performance indicator should be rated "marginal" or "unsatisfactory".

**Very Good.** A majority of the performance indicators are rated "exceptional" or "very good". No significant performance indicator should be rated "marginal" or "unsatisfactory".

**Satisfactory.** No significant performance indicator should be rated "unsatisfactory". The quality of the final work is acceptable in an overall sense. However, it may have been necessary to instruct the firm to correct unacceptable work.

**Marginal.** One or two significant performance indicators are rated "unsatisfactory" or all or most performance indicators are rated "marginal". An unusual amount of extra effort and follow-up has been required on the part of the District to obtain acceptable deliverable(s).

**Unsatisfactory.** Several significant performance indicators are rated "unsatisfactory". This rating is appropriate for a firm that did not produce acceptable work in spite of extensive effort by the District and is required for all contracts terminated for default.

**--- Procurement Department Use Only ---**

Please indicate any additional comments corresponding to the numbered question on Page 1 and/or Page 2:

<u>Number</u>	<u>Remarks</u>
# _____	_____
# _____	_____
# _____	_____

\_\_\_\_\_  
Contract Specialist

\_\_\_\_\_  
Date

**PROCUREMENT  
CONTRACT FILE CHECKLIST**

**REQUEST FOR BIDS  
SOLICITATION TO AWARD PROCESS**

<b>RFB No. C-</b>	<b>Project Title:</b>
<b>Project Manager:</b>	<b>Contract Specialist:</b>
<b>Solicitation Pre-Release</b>	
<i>Indicate Date Completed:</i>	
	Review draft SOW/Specifications in ICMS prior to Procurement Strategy team meeting
	Review recommended Procurement Strategy with Contracts Manager for appropriate solicitation method/outreach
	Forward approved Procurement Strategy to Procurement Analyst for final review for GB Forecast Summary Report
	Review ICMS data, including projected Governing Board approval date/enter necessary changes
	E-mail Procurement assistant to place pending solicitation on XWEB (RFB #, title, estimated release month)
	Conduct final review/editing of Specs. Notify Office of Counsel for all changes to ICMS draft Specs after Procurement review. When finalized, ensure that all alerts are clicked in ICMS prior to solicitation release
	Coordinate with Project Manager to finalize list of commodity codes
	Coordinate with Project Manager to identify advertising needs/develop initial RFB mailing list of potential sources
	Coordinate with Project Manager to determine critical timelines for:
	➤ Solicitation release date
	➤ Mandatory/optional pre-conference, if applicable (within two weeks from release date of RFB)
	➤ Inquiry Period – approximately three weeks from release date of RFB (10 calendar days before bid opening)
	➤ Submission date for bids and bid opening (four weeks from release date of RFB)
	Forward complete RFB package including ICMS Communications Form to Contracts Manager for review
	Governing Board acceptance of Procurement Strategy (10 calendar days following specific monthly GB meeting)
	Finalize solicitation package and forward the following documents to the Procurement Assistant (PA):
	➤ Hard copy of RFB document for print shop – five working days before RFB release date
	➤ Hard copy of initial mailing list from Project Manager
	➤ E-mail of final advertisement/ad approval – three working days before RFB release date
	➤ E-mail of project summary for XWEB
<b>Solicitation Post-Release</b>	
<i>Indicate Date Completed:</i>	
	Mandatory/optional pre-conference (if applicable):
	➤ Prepare a general sign-in sheet for all attendees
	➤ Prepare an agenda
	➤ Prepare written addendum that details all questions and answers addressed in the conference
	➤ Forward list of firms that attended conference to Procurement assistant to place on XWEB
	End of inquiry period-review all questions received with Project Manager/determine need for additional addendum
	Forward final written addenda to PA and allow time for mailing at least seven calendar days before bid due date
<b>Review Phase</b>	
<i>Indicate Date Completed:</i>	
	Bids opened (public opening)
	Complete <b>Responsiveness</b> review (Contract Specialist) for low three bidders as follows:
	➤ Forward utilization plans to EIC to review <i>Statement of Intent to Perform as an M/WBE Subcontractor</i> form
	➤ Forward questionable insurance certificates and/or bid bonds, if applicable, to Risk Management
	➤ Determine the following:
	▪ Timely submission of the bid
	▪ Correct tabulation of bid and evidence of attachments and/or forms required per solicitation instructions
	▪ Signed bid
	▪ Legible bid
	▪ Evidence that the firm is authorized to do business in the State of Florida
	▪ Terms and conditions (compliance with bid specifications and contractual terms)
	➤ Conduct a secondary review of the documentation to identify any potential errors in the review process
	➤ Prepare memo summarizing results of responsiveness review for insertion into bid review package

Review Phase (Continued)	
Indicate Date Completed:	
	Complete <b>Responsibility</b> review (Contract Specialist and Project Manager) as follows:
	➤ Forward three responsive low bid packages to Project Manager to review and determine acceptability of: <ul style="list-style-type: none"> <li>▪ Specialized experience and technical competence requirements (professional qualifications – licenses)</li> <li>▪ Past performance records</li> <li>▪ Reference checks</li> <li>▪ Capacity of the firm or proposed team to perform the work and ability to meet project schedules and deliverable requirements</li> <li>▪ Available equipment, construction and/or facilities or demonstrated ability to obtain them</li> <li>▪ Knowledge of local conditions (site specific)</li> </ul>
	➤ Determine the following (Contract Specialist): <ul style="list-style-type: none"> <li>▪ Adequate financial resources to perform the contract or the ability to obtain them (review of financial statements, documentation from banker, creditors or other financial institutions)</li> <li>▪ Review of convicted vendor list (satisfactory record of integrity and good business ethics)</li> <li>▪ Compliance with applicable laws and regulations (firm is otherwise qualified and eligible to receive an award)</li> <li>▪ Price analysis when only one bid is received (refer to Chapter 5-4 of the Procurement Manual)</li> </ul>
	➤ Conduct a secondary review of the documentation to identify any potential errors in the review process
	Update ICMS record with ranking of firms
	Post the 'Notice of Intent to Award' for 72 hour period (insert date of posting)
	Protests: Coordinate with Office of Counsel and follow procedures outlined in Chapter 9 of Procurement Manual
Award Phase	
When completed, mark with a (✓), the Date or (N/A):	
	Prepare and issue 'Notice of Apparent Low Bidder' letter, including request for: <ul style="list-style-type: none"> <li>▪ Payment and Performance Bonds (over \$200,000)</li> <li>▪ Insurance form</li> <li>▪ Confirmation of bid</li> <li>▪ List of subcontractors</li> </ul>
	Review response from apparent low bidder and forward paperwork to Risk Management to determine evidence of required insurance levels and acceptability of performance and payment bond (over \$200,000)
	Prepare contract award
	Obtain Office of Counsel review/approval for contract award to other than the lowest responsive, responsible bidder
	Finalize Contract Justification Summary Sheet (CJSS) in coordination with Project Manager
	Submit award package (CJSS, ICMS Communication Form, Contract) to Contracts Manager for review
	Obtain contractor signature on award document prior to scheduled (Date) Governing Board meeting

## EXHIBIT 1

Reviews	Initial	Date
Contract Specialist		
Contracts Manager		

**PROCUREMENT  
CONTRACT FILE CHECKLIST**

**REQUEST FOR PROPOSAL  
SOLICITATION TO AWARD PROCESS**

<b>RFP No. C-</b>	<b>Project Title:</b>
<b>Project Manager:</b>	<b>Contract Specialist:</b>
<b>Solicitation Pre-Release</b>	
<i>Indicate Date Completed:</i>	
	Review draft Statement of Work (SOW) in ICMS prior to Procurement Strategy team meeting
	Review recommended Procurement Strategy with Contracts Manager for appropriate solicitation method, outreach plan, role of Project Manager, cost/technical evaluation method and recommended outside agency committee members (if applicable)
	Forward approved Procurement Strategy to Procurement Analyst for final review for GB Forecast Summary Report
	Review ICMS data, including projected Governing Board approval date/enter necessary changes
	E-mail Procurement assistant to place pending solicitation on XWEB (RFP #, title, estimated release month)
	Conduct final review/editing of SOW. Notify Office of Counsel for all changes to ICMS draft SOW after Procurement review. When finalized, ensure that all alerts are clicked in ICMS prior to solicitation release
	Select committee members from Procurement's database based on guidelines in Procurement Manual (Chapter 4) and notify District staff and recommended outside agency panel members (if applicable)
	Coordinate with Project Manager to finalize list of commodity codes to ensure Equity in Contracting input
	Coordinate with Project Manager to finalize evaluation criteria and process to be detailed in Part 3 of solicitation
	Coordinate with Project Manager to identify advertising needs/develop initial RFP mailing list of potential sources
	Coordinate with Project Manager to determine critical timelines for: <ul style="list-style-type: none"> <li>➤ Solicitation release date</li> <li>➤ Mandatory/optional pre-conference, if applicable (two weeks from release date of RFP)</li> <li>➤ Inquiry Period – generally a period of three weeks from release date of RFP</li> <li>➤ Submission date for proposals (four weeks from release date of RFP)</li> <li>➤ Scheduling of general committee meeting and oral presentations, including alternate dates, for each member</li> </ul>
	Forward complete RFP package including ICMS Communication Form to Contracts Manager for review
	Governing Board acceptance of Procurement Strategy (10 calendar days following specific monthly GB meeting)
	Forward final schedule of solicitation timelines/committee meetings to selection panel members/Project Manager
	Finalize solicitation package and forward the following documents to the Procurement Assistant (PA): <ul style="list-style-type: none"> <li>➤ Hard copy of RFP document for print shop – five working days before RFP release date</li> <li>➤ Hard copy of initial mailing list from Project Manager</li> <li>➤ E-mail of final advertisement/ad approval – three working days before RFP release date</li> <li>➤ E-mail of project summary for XWEB</li> </ul>
<b>Solicitation Post-Release</b>	
<i>Indicate Date Completed:</i>	
	Mandatory/optional pre-conference (if applicable): <ul style="list-style-type: none"> <li>➤ Prepare a general sign-in sheet for all attendees</li> <li>➤ Prepare an agenda</li> <li>➤ Prepare written addendum that details all questions and answers addressed in the conference</li> <li>➤ Forward list of firms that attended conference to Procurement assistant to place on XWEB</li> </ul>
	End of inquiry period –review all questions received with Project Manager/determine need for additional addendum
	Forward final written addenda to PA and allow time for mailing at least 7calendar days before proposal due date
	Prepare instruction and materials package for each committee member for distribution at mandatory kick-off mtg.: <ul style="list-style-type: none"> <li>➤ “Instructions” memorandum (includes guidance for each phase of evaluation process as well as information regarding Conflicts of Interest, Sunshine Law requirements and Acknowledgement Form)</li> <li>➤ Materials include – <ul style="list-style-type: none"> <li>- Copy of RFP and any addenda</li> <li>- Evaluation Matrix/Evaluation Criteria Guidelines</li> <li>- Evaluation Standards/Evaluation Worksheets</li> <li>- Past Performance Records (District work)</li> <li>- Forms for Reference Checks</li> </ul> </li> </ul>



<b>Pre-Evaluation Phase</b>	
<i>Indicate Date Completed:</i>	
	Separate technical and cost proposals after 2:30 P.M. on proposal submission date
	Review each proposal package for 'responsiveness' (refer to Chapter 5-2 of Procurement Manual)
	Distribute copies of technical proposals and instruction/materials package to committee members at mandatory Kick-Off meeting (1 day after receipt of proposals)
	Review and obtain signed 'Acknowledgement' Form from each selection committee member at conclusion of mtg.
<b>Evaluation Phase: Pre-Committee Meeting</b>	
<i>Indicate Date Completed:</i>	
	Review/distribute completed reference check questionnaires to each panel member (at least 2 days before scheduled meeting of selection committee)
	Obtain/tabulate technical scores from committee members (at least 1 day before scheduled committee meeting)
	Obtain and tabulate the cost proposal scores (if applicable) from selection committee members (at least 1/2 day before scheduled meeting of selection committee)
	Obtain M/WBE scoring from Equity in Contracting Office
	Input the scores for Previous District Work, Location (if CCNA project or site-specific) and Cost (if applicable)
	Finalize the tabulation of scoring for each category on the original score sheet of each committee member
	Prepare summary spreadsheets - raw scores and composite rankings of each committee member
<b>Evaluation Phase: General Committee Meeting Date _____ Alternate Date _____</b>	
<i>When completed, mark with a (✓), the Date or (N/A):</i>	
	Conduct panel discussion of strengths/weaknesses of proposals (scoring adjustments for new information only)
	Obtain justification forms for all changes to original score sheets for each committee member
	Distribute summary spreadsheets to panel members (with scoring adjustments, if necessary) after panel discussions
	Standard RFP: Determine need for further clarification and number of short-listed firms (orals or teleconferences)
	CCNA RFP: Mandatory short-listing of a minimum of 3 firms for oral presentations or teleconferences
	Orals: Finalize list of identical questions for those firms short-listed for orals or teleconferences
	Orals: Complete random selection of order of firms for presentations/teleconferences
<b>Evaluation Phase: Oral Discussions Date _____ Alternate Date _____</b>	
	Orals: Following panel discussion, obtain justification forms from each member for all changes to original scores
	Orals: Tabulate final scoring for each category on the original score sheet of each committee member
	Orals: Prepare final summary spreadsheets - raw scores and composite rankings of each committee member
	Obtain signatures of committee members on the 'Attestation' Form at the conclusion of the final panel meeting
	Obtain 'Summary Report' from Project Manager based on the results of the committee's deliberations
	Update ICMS record with ranking of firms
	Establish the negotiation team, obtain appropriate signatures and post the 'Authorization to Enter Into Contract Negotiations' for 72 hour period (insert date of posting)
	Protests: Coordinate with Office of Counsel and follow procedures outlined in Chapter 9 of Procurement Manual
<b>Negotiation/Award Phase</b>	
<i>When completed, mark with a (✓), the Date or (N/A):</i>	
	Prepare letters for unsuccessful firms and offer debriefings to all short-listed firms
	CCNA RFP: Send letter requesting cost proposal of top-ranked firm
	Non-CCNA RFP: Send letter to top-ranked firm requesting any additional cost documentation for cost analysis
	Obtain fact-finding results (responsibility overview, pricing methodology, supporting cost documentation)
	Request pre-award audit by Inspector General's Office, if appropriate
	Develop pre-negotiation strategy/negotiation objectives (Chapter 5 of Procurement Manual)
	Conduct negotiations; obtain revised cost breakdown(s), as appropriate
	Finalize any revisions to the Statement of Work for incorporation into the final contract document
	Prepare memorandum of negotiation
	Obtain insurance certificate. District is additional insured for general liability/auto coverage ( ) Yes ( ) No
	Prepare contract award. Indicate whether 'Special Provisions' are included ( ) Yes ( ) No
	Obtain Office of Counsel review/approval for contract awards that include 'Special Provisions'
	Finalize Contract Justification Summary Sheet (CJSS) in coordination with Project Manager
	Submit award package (CJSS, Comm. Form, Contract, Special Provisions, if any) to Contracts Manager for review
	Obtain contractor signature on award document prior to scheduled _____ (Date) _____ Governing Board meeting
	Conduct debriefings (Chapter 5 of Procurement Manual) with all firms requesting a meeting or teleconference

# **EXHIBIT 2**

## **GUIDE TO PREPARING A STATEMENT OF WORK**

A "Statement of Work" (SOW) is a narrative description of a project's goals/agenda. It is also a valuable project management tool. A properly prepared SOW can help determine if the work should be performed in-house or by an outside contractor. The SOW is the key in the evaluation of proposals received and contractor selection. After award of a contract, the SOW becomes the standard against which the District will measure a contractor's performance. It should set measurable limits as to what the District can demand and what a contractor must perform in order to be compensated. A Statement of Work should include a breakdown of the required tasks, along with the proposed ways and means, time schedules, expected deliverables and due dates and associated costs.

The Statement of Work describes the basic framework within which a contractor is expected to operate, i.e., the work to be performed and/or the results to be achieved. It should include a summary of the statutory, regulatory and programmatic basis of the project. The SOW is intended to act as a baseline for resolving questions of interpretation about the scope of the work in the final, negotiated contract. It is intended to supplement, rather than duplicate a contract. A SOW should clearly reflect what the District expects the contractor to accomplish. The more specifically project tasks are delineated, the more accurately the cost of a proposed project can be estimated. Poorly drafted SOWs can lead to confusion about expected performance, unnecessary disputes or litigation, cost overruns or deteriorating relations between the public and private sectors.

The objectives of a well-defined Statement of Work are intended to accomplish the following:

1. Precisely define all deliverable items.
2. Employ cost-effective contracting measures.
3. Comply with contract requirements.
4. Provide guidelines for both the District and the contractor.
5. Provide criteria by which to inspect and accept deliverables.
6. Develop performance standards for the contracting parties.
7. Provide for uniform technical reports.
8. Ensure consistent quality output.
9. Provide and promote safety.
10. Assure that the contractor can be compensated on time and fully for acceptable deliverables.

The components of a Statement of Work and description of each are set forth below. In general, a well-prepared SOW should provide answers to the following summary questions:

- ***Why*** (Introduction/Background)
- ***How, Where, What If*** (Scope of Work)
- ***Who*** – Responsibilities of the parties (Work Breakdown Structure)
- ***When*** – Time schedules, deadlines (Work Breakdown Structure)
- ***What*** – Outputs, deliverables (Work Breakdown Structure)
- ***How Much*** – Cost Proposal

## **I. INTRODUCTION/BACKGROUND**

The introduction identifies the need for this particular project, cites the project's goals and the legal basis for the Statement of Work. The introduction also explains how this project fits into the District's mission goals and describes, in general terms, the location of the project. The introduction provides a brief historical description of events leading to the current project needs and sets the stage for the subsequent explanation of what the District requires in terms of performance. The introduction should explain where we are today, how we got there and where the District wishes to be tomorrow. When the explanation is clear to the contractor, the contractor's response is likely to be better and more complete. In summary, the introduction should include the following:

- Concise, historical description of events leading to current project needs.
- Description of how the project relates to the District's mission at the Department and/or Division level.
- No more than three to four paragraphs, written in simple and concise terms.
- Key terms that will be referenced throughout the Statement of Work, e.g., "Everglades Nutrient Removal (ENR), "Surface Water Improvement and Management" (SWIM), or "Stormwater Treatment Areas" (STAs) and a general description of the project location.
- Reference to legislation, legal requirements or District policy that form an integral part of the basis for the project.
- Description of how the project relates to other on-going or future projects at the District or in conjunction with other governmental entities or non-profit organizations.

## **II. OBJECTIVES**

This section should generally define the objectives of the work being contracted and should list the various elements associated with those objectives. It should indicate how/when the various objectives are interrelated and bring the goals and final use of the services or products of the contract as a whole into focus. Clarification of these objectives can be achieved by using historical background, discussing political or

technical factors that may influence objectives or citing future considerations as well as any other related material. If there are elements of a minimum or maximum that should be listed in connection with each objective(s), these should be listed; however, no detail should be provided about the scope of these elements and elements should not be listed that will be further amplified in the breakdown of tasks. This section is intended to communicate a global, concise description of work objectives and how those objectives interrelate to achieve the ultimate project goal.

### **III. SCOPE OF WORK**

The Scope of Work is a small part of the overall 'Statement of Work' and is defined as a broad, general and brief description of the ways and means required, or suggested, to accomplish District goals. In CCNA projects, this section may also indicate whether 'value engineering' (contractor suggested variations to improve/streamline a project) would be welcomed. Any detailed instructions to the contractor on tasks to be performed or deliverables required should **not** be included in the scope of the work. This information is covered within the 'Work Breakdown Structure'. In summary, the scope of the project should include the following:

- Outline of the extent of the work envisioned.
- Brief overview of the steps, tasks and/or phases of the project.
- Brief description of the approach or methodology to be used.
- Brief description of the location of the project. A detailed legal description of the property may be required and in some projects, it will be necessary to include a map showing more detailed site location(s).
- Discussion of any pivotal decision points following completion of the tasks or phases (e.g., 'stop/go').
- Identification of what is excluded from the Statement of Work (e.g., work is limited to either general or detail design/evaluation and/or implementation includes/excludes testing of a product, model).

### **IV. WORK BREAKDOWN STRUCTURE**

A work breakdown structure should completely define each of the tasks that the contractor must undertake to complete the work. The individual responsibilities of each contracting party must be identified, being careful to indicate what specific District support is to be provided to the contractor.

The work breakdown structure is a 'tasking' document - an outline of the structures and interrelationships required to accomplish the objectives and the project goals that are outlined in the scope segment of the Statement of Work. The work breakdown structure must include detailed tasks with progressive dates of completion for each task. It should eliminate or reduce uncertainty, improve efficiency of the operation, obtain a better understanding of the objectives and provide a basis for monitoring the contract work.

The work breakdown structure should also include, in summary fashion, the deliverables and timelines associated with the completion of each task. These elements also are described in more detail below. The work breakdown structure should describe precisely how the contractor's output will be measured or defined and should include performance standards to determine whether the contractor's work is acceptable. If reports are required, specify how many, how often and in what form (e.g., MS Word, 3.5" diskette or CD rom, Excel spreadsheets). Indicate whether the contract activities (completion of the tasks) will be dependent upon or impacted by crop years, wet season, dry season, completion of construction by a third party, etc.

**Time Schedule and Timeframes.** A Statement of Work must not only describe **what** needs to be done but also **when** each task or part of the project must be completed. Many projects are unsuccessful not because contractors fail to meet their objectives, but because they fail to do so in a timely manner, i.e., within the agreed upon deadlines. Time schedules in any project are as important as deliverables or payments.

Timeframes will be used as a measure of both ongoing project performance and satisfactory completion of a project. The performance period should be broken down by task for easier management of the project and should include the specific number of days, weeks or months from contract execution or detailed timeframe for submission of the deliverable. Timing is also critical for District review, testing and/or feedback. Delays in completion normally occur when the Project Manager fails to closely monitor the gradual completion of tasks within the stated timeframes. Appropriate timeframes are essential to enable the Project Manager and Procurement to track the contractor's performance so that corrective action may be taken when delays occur, rather than making adjustments at the end of the project.

**Deliverables.** Deliverables are the 'outputs' or 'end products' of the Statement of Work and are evidence of a contractor's performance in meeting the project demands. Most take the form of a tangible product (hardware, software, data, written report, completed well, etc.), but some can also be less tangible (consultation). Deliverables also serve as a measure of the contractor's adherence to, or deviation from, the requirements of the Statement of Work. It is extremely important that the required deliverables are specific, that there are clear instructions regarding the submission of the deliverables and that the contractor is clearly informed of the manner and standards by which the District will judge the end product and determine whether the deliverables are acceptable. The likelihood that performance will meet the stated objectives of the Statement of Work increases when the requirements are closely followed and the contractor fully complies with the contract provisions.

There is a close relationship between deliverables, tasks and payments. Both the completion of tasks and submission of deliverables must occur within stated timeframes. Therefore, deliverables need to be closely interconnected to the tasks that precede them. And, ultimate compensation to the contractor (payments) must be tied to the rendition of acceptable deliverables. It is imperative that time be considered consistently as a primary factor in the completion of tasks, the submission of deliverables and payment of the

contractor's invoices by the District. To ensure timeliness, the Statement of Work must include measures by which the District will accept or reject deliverables within a reasonable, clearly specified time. Accordingly, any reasons for non-acceptance must also be clear to the contractor and the reasons for time extensions must clearly be articulated.

In summary, the work breakdown structure should include the following:

- Clear delineation of the responsibilities of the parties.
- Detailed description of each project element (step, task and/or phase), including specifics, as necessary, about how the tasks interrelate or build upon the other.
- Approach or methodology to be used to reach the objectives outlined in the scope of work and ultimate end product.
- Timelines and deliverable requirements with each task description.
- Information on contractor resource allocation and District support in terms of equipment, staffing, computers, software, subcontractors, as applicable.
- Clear description of any specific equipment or software compatibility requirements.
- Identification of any reports, research papers, reference material or other District documentation that must be followed or used as guidance in proposal preparation or project performance.

## **V. SUMMARY OF DELIVERABLES AND PAYMENT SCHEDULE**

This section provides an overview of the District requirements presented in the Statement of Work and includes the following:

- Formatting of deliverables (e.g., GIS ARC/INFO, Year 2000 requirements).
- Schedule of time allocated for District review and incorporation of District comments into the Contractor's final submission.
- Specific standards or criteria that the contractor must meet to obtain acceptance by the District (if not already covered in the work breakdown structure).
- Specific delivery instructions, if required, including point of delivery, packaging, handling and transportation.
- Type of payment schedule and amounts available per District fiscal year appropriation by the Governing Board.
- This information is presented together with a summary deliverable and payment table that becomes part of the complete Statement of Work and provides a quick overview of the scope requirements (task, deliverable description, due date and payment amount). An example is attached to these Guidelines.

## **FINAL REVIEW STATEMENT OF WORK CONTENTS**

The following descriptions are provided as more detailed background for areas covered in the Statement of Work Guidelines presented above and/or as sections that may need to be specifically highlighted in the Statement of Work, depending on the complexity of the District project.

### **Time Schedule and Deliverables**

- Includes specific type of deliverable (hardware, software, data, draft/final reports, workshops, documentation, project orientation meetings, progress review meetings, training, presentations, research papers, publications, etc.)
- Provides explicit instructions on how the deliverable is to be submitted - both in format and quantity of deliverables and number of days, weeks or months from contract execution or specified timeframe.
- Specifies items and timing for District review, testing and/or feedback.
- Highlights standards or criteria for acceptance by the District.

### **Project Location**

- Services or tasks which need to be performed at a particular location and must be specified in some detail in the Statement of Work.
- Identification of the area, region, county and municipality.
- Legal description and/or detailed map of the precise site(s), attached to the Statement of Work.
- Concise information regarding legal access to non-District owned property and the party responsible for securing such access (easements/right-of-way records), as in lease agreements.

### **District Responsibilities**

- Resources that will be provided by the District to the contractor to ensure successful completion of the project - including staffing expertise, documentation, data, office space, drawings, maps, computer equipment, software.
- All resource commitments must be approved through the appropriate level of internal Division/Department approvals.
- Identification of historical or environmentally sensitive areas.
- Particularly important in cost-sharing arrangements or other situations in which it is more cost effective to utilize available District resources.

### **Contractor Responsibilities**

- Permits or license requirements (e.g., construction projects).
- Required equipment (e.g., hardware or construction related projects).
- Site preparation - removal of debris, grading, vegetation restoration, etc.

- Quality Control/Quality Assurance requirements (e.g., research projects).
- OSHA requirements, safety standards.
- Environmental impact requirements.
- Security requirements, site protection.

### **Acceptance Testing**

- Applicable to software/hardware, engineering products, structural mechanisms, models, design/build projects, etc.
- Identification of specific procedures or criteria that need to be applied to test the end product or ensure that it functions in accordance with established design specifications or technical requirements or verify the integrity of the deliverable.
- Can be set up as a joint effort by the contractor and the District, by the District alone, or by the contractor with District staff present.

### **Warranty**

- Suitable for complex, design/specification projects.
- Stipulates minimum period (sixty days) from the date of project completion and acceptance within which the contractor is responsible for resolving problems identified by the District.

### **Payment**

- **Fixed Increments.** Payments tied to the receipt and acceptance of deliverables of products or services (e.g., report or month of janitorial work). Statement of Work must specify the deliverables, due dates and the amount of payment for each deliverable following acceptance by the District.
- **Reimbursement.** Payments are made based on a reimbursement of costs accrued by the contractor in performing the work. Invoices must include a verification of costs information, including a list of hours worked by staff member, rate per hour and expenses incurred. All travel reimbursement requests must include original receipts as well as a completed Travel Expense Voucher and must meet the requirements of Section 112.061, Florida Statutes.
- **Percentage of Completion.** Used primarily for construction contracts. The invoice submitted lists the percentage completed for various categories of the work performance. The contractor is reimbursed for the percentage of the contract completed and accepted, usually on a monthly basis. Often these contracts have a percentage of the invoice withheld (retainage) pending successful completion of the project.



### **Value Engineering**

- Used primarily in CCNA solicitations and contracts to encourage the contractor to propose alternative designs and methodologies that will have the potential for reducing project costs, improving efficiencies and/or realizing long-term operational or maintenance cost reductions.
- This can be recognized at the time of contract award or as the project progresses.
- Can also be realized in the form of improved effectiveness or quality of performance that may not be readily quantifiable.

### **Proposed Contractor Options/Alternatives**

- For projects that may lend themselves to adopting alternate methods or technologies, the solicitation Statement of Work must contain a section which requests all respondents to propose viable options for District consideration.
- Requires the respondent to critique the methodology (one or more) envisioned by the District.
- Requires the respondent to identify the benefits that the District would derive from any option alternative and to provide separate cost information that would be subject to negotiation.
- Requires respondents to address tasks as separately priced options that the District may or may not exercise during the term of the contract.

### **Stop/Go Decisions**

- Appropriate for research and development projects or studies whenever there is a significant level of uncertainty and allows the opportunity to review progress or obtain documentation (e.g., permitting) that is critical to ensure technical viability.
- The solicitation and resulting contract includes the point at which a stop/go decision will be made to allow the contractor to proceed as originally planned, take a different course or terminate the contract.
- Limits the District's liability, both financially and technically.

### **Cost/Benefit Analysis and Implementation Recommendations**

- Appropriate for study projects in which the contractor is required to make recommendations on which the District may subsequently take action. These include organizational studies, feasibility studies or studies that address structural changes.
- Requires the contractor to provide a cost/benefit analysis with a justification for the recommendation.
- Allows the District the option of pursuing the recommendation(s) and the right to determine whether or not it is most cost effective and efficient to continue with outside resource(s) or use of District staff.

### **Contingencies**

- Identifies situations that might arise to impact project direction, performance and/or scheduling during the monitoring of project performance.
- Describes the course of action that will be taken by the parties to address these situations, e.g., emergency/severe weather conditions, key personnel changes, shortfalls of funding in cost sharing arrangements from third parties, or there is lack of sufficient data or information to continue with research/analysis initiatives.
- Possible courses of action might include use of stop work directives; elimination/modification or rescheduling of certain tasks; and/or pursuit of alternate engineering methodologies or design alternatives.

### **Definitions**

- Appropriate for complex Statements of Work in which there is reference to numerous acronyms or when technical terms are subject to more than one interpretation.
- Provide a concise listing of all defined terms or acronyms that will facilitate a common understanding.

### **Solicitation Statements of Work and Contractual Statements of Work**

- No difference in the information and formatting included in the sections of the Statement of Work.
- In Request for Bids (sealed bidding), the Statement of Work must be as specific and comprehensive as possible since award will be made on the basis of the lowest evaluated price by both a responsive and responsible bidder. Since the RFB is not subject to negotiation, the Statement of Work is incorporated as part of the contract without further changes.
- In negotiated procurements (Request for Proposals), the solicitation Statement of Work is, by necessity, less specific since the District will determine, in conjunction with the selected contractor, the most appropriate approach and timing for achieving the desired objective.
- The final, *negotiated* Statement of Work (RFP) is a combination of the District's solicited Statement of Work and the selected contractor's proposed Statement of Work. The finalized version clearly identifies all responsibilities of the parties and includes language (use of the word 'shall') to impose a duty that may be enforced.



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## EXHIBIT 3

### **SAMPLE STANDARD RFP EVALUATION CRITERIA**

<b>Maximum Points (Total 100)</b>	<b>CATEGORY</b>
35	<b>Technical</b> <ul style="list-style-type: none"><li>▪ Proposed approach/methodology</li><li>▪ Understanding of the scope of work</li><li>▪ Timeliness of project schedule &amp; location considerations</li><li>▪ Staffing and workload distribution</li></ul>
40	<b>Qualifications and Experience</b> <ul style="list-style-type: none"><li>▪ Qualifications and experience of firm with similar projects, including subcontractors</li><li>▪ Qualifications and experience of staff dedicated to the projects, including subcontractors</li><li>▪ Availability of qualified personnel</li><li>▪ Management Capabilities</li><li>▪ Past performance records (including past District contracts)</li><li>▪ References</li></ul>
10	<b>Financial</b> <ul style="list-style-type: none"><li>▪ Reasonableness of total proposed price</li><li>▪ Cost effectiveness (cost breakdown and justification)</li></ul>
10	<b>Supplier Diversity</b> <ul style="list-style-type: none"><li>▪ Minority and Woman Business Enterprise (M/WBE) Participation (Requires 51% M/WBE participation to receive maximum points)</li></ul>
5	<b>Previous District Work</b> <ul style="list-style-type: none"><li>▪ Volume of work previously awarded to the respondent by the District in the past three years. A respondent with no previous District work will receive a higher score than a respondent who has received work.</li></ul>

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**EXHIBIT 3**

**SAMPLE**

**CCNA RFP EVALUATION CRITERIA**

<b>Maximum Points (Total 100)</b>	<b>CATEGORY</b>
30	<b>Technical</b> <ul style="list-style-type: none"><li>▪ Proposed approach/methodology</li><li>▪ Understanding of the scope of work</li><li>▪ Staffing and workload distribution</li></ul>
35	<b>Qualifications and Experience</b> <ul style="list-style-type: none"><li>▪ Qualifications and experience of firm with similar projects, including subcontractors</li><li>▪ Qualifications and experience of staff dedicated to the project, including subcontractors</li><li>▪ Availability of qualified personnel</li><li>▪ Management Capabilities</li><li>▪ Past performance records (including past District contracts)</li><li>▪ References</li></ul>
10	<b>Project Schedule:</b> <ul style="list-style-type: none"><li>▪ Willingness to meet time and budget requirements</li><li>▪ Recent, current and projected workload(s) of the firm</li></ul>
10	<b>Location Considerations</b> <ul style="list-style-type: none"><li>▪ Location of firm</li><li>▪ Proximity of key personnel</li></ul>
10	<b>Supplier Diversity</b> <ul style="list-style-type: none"><li>▪ Minority and Woman Business Enterprise (M/WBE) Participation (Requires 51% M/WBE participation to receive maximum points)</li></ul>
5	<b>Previous District Work</b> <ul style="list-style-type: none"><li>▪ Volume of work previously awarded to the respondent by the District in the past three years. A respondent with no previous District work will receive a higher score than a respondent who has received work.</li></ul>

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**EXHIBIT 4**  
**GENERAL INSTRUCTIONS FOR TECHNICAL EVALUATION COMMITTEES**

**TO:** Selection Committee Members  
(Names)

**FROM:** Contract Specialist, Procurement  
(Name)

**DATE:** \_\_\_\_\_

**SUBJECT:** Evaluation of Request for Proposal C-\_\_\_\_\_

**Selection Committee Schedule: (Dates, Time)**

Mandatory Kick-Off Meeting: \_\_\_\_\_ Conf. Rm. \_\_\_\_\_

Technical Score Sheet/Acknowledgement Form: Due \_\_\_\_\_

Cost Proposal Score Sheet, if applicable: Due \_\_\_\_\_

Committee Meeting: \_\_\_\_\_, Conf. Rm. \_\_\_\_\_

Alt. Date: \_\_\_\_\_ Conf. Rm. \_\_\_\_\_

Oral Presentations, if applicable: \_\_\_\_\_, Conf. Rm. \_\_\_\_\_

Alt. Date: \_\_\_\_\_ Conf. Rm. \_\_\_\_\_

Each of you has been appointed to serve as a committee member for the selection of a firm for “\_\_\_\_\_” (title of project). As a member of the Selection Committee (Committee), your participation is critical to the successful completion of this process. Accordingly, except for unforeseen emergencies, your acceptance of this appointment confirms your commitment to perform the duties of a committee member throughout the evaluation timeframe. The technical proposals submitted in response to the referenced RFP will be provided to you at the mandatory kick-off meeting scheduled above. The procedures to be followed from the receipt of proposals to contract award are set forth below. Each member of the Committee should be thoroughly familiar with these procedures, including each member’s roles and responsibilities throughout this process.

**Chairperson.** As the representative of the Procurement office, I am designated the Chairperson of this Committee. As Chairperson, I will serve as a non-voting member of the Committee and will be available in an advisory capacity, with authority to make all procedural decisions throughout the evaluation process. To facilitate the exchange of information necessary in the evaluation process, please contact me directly. As a non-voting member of the Committee, any communication with me is not subject to the Sunshine Law provisions.

**Project Manager.** The Project Manager for this solicitation, \_\_\_\_\_, will serve as a technical advisor to the Committee. In this capacity, the Project Manager is a non-voting member of the Committee. The Project Manager will provide a detailed briefing of District project objectives at the mandatory kick-off meeting. As a non-voting member, the Project Manager is available to answer technical questions of the Committee during the evaluation process. The Project Manager shall attend all publicly noticed selection committee meetings but may not participate in the general discussion of the merits of each proposal, except to provide technical advice to the Committee as needed.

**Evaluation/Instruction Package.** Each of you will be receiving a packet of the following:

- |                                     |  |
|-------------------------------------|--|
| (1) Copy of the RFP and any addenda | (5) Scoring Matrix/Evaluation Worksheet      |
| (2) Acknowledgement Form            | (6) Evaluation Criteria Guidelines/Standards |
| (3) Advisory Body Members' Pamphlet | (7) Past Performance Records                 |
| (4) Copy of each proposal           | (8) Reference Questionnaire                  |

**Technical Evaluation.** The function of the Committee shall be to evaluate all technical proposals pursuant to the evaluation criteria set forth in the RFP. The specific criteria to be evaluated are set forth in the scoring matrix and are identical to the categories outlined in Part 3 of the solicitation. Please take time to review the evaluation criteria guidelines, once received, since it is important that each committee member has a common understanding of what should be considered while reviewing the proposals. In addition, please review Part 4 of the RFP – Statement of Work – before you begin this process. It is recommended that you read each proposal completely, initially; then re-read and score.

Please note that the evaluation phase is completed independently without consultation with other committee members. In addition, do not respond to any inquiries from interested respondents. Such unauthorized contact may serve to disqualify a respondent, or in extreme cases, may result in the termination of the procurement action. In the event anyone does contact you, please refer all such calls to the Chairperson.

The packet contains *Past Performance* records (interim and final) from the Chairperson for all firms that have been evaluated by District staff for contracts completed within the past three years. For those firms without a 'Past Performance' record, please enter a score of "3" for each (as described in the Evaluation Standards) to ensure consistency among the committee members in the evaluation process.

*Reference checks* will be completed by the committee member(s) designated by the Chairperson at the kick-off meeting. A minimum of three firms must be contacted regarding each respondent's past performance. A standard questionnaire is attached for this purpose. If deficiencies in past performance are noted, mitigating circumstances, if any, must also be noted. All questionnaires must be returned to me no later than two days before the publicly noticed committee meeting to allow time for review and distribution to each of the committee members for the scoring of this factor.

The scoring for the *M/WBE* section will be completed by the Equity in Contracting office and provided to the Chairperson for input on each committee member's score sheet. The Chairperson also will complete the scoring for the *Previous District Work* section and *Location* section, if applicable. *Previous District Work*: The final score for each firm is formula based, calculated on the amount of dollars awarded to the respondent for the past three years (from the date of proposal receipt). *Location (if applicable)*: The final score for each firm is formula based, calculated on the number of miles from the specific job site to the firm's designated project office.

Each committee member is responsible for addressing the following:

- ***Conflicts of Interest.*** The packet contains a pamphlet entitled “Advisory Committee Members” which outlines the State’s Code of Ethics. The Office of Counsel will discuss these issues at the mandatory kick-off meeting. Pursuant to these guidelines, please note that the integrity of the procurement process is vital to a successful contracting process. Please contact the Chairperson immediately to report any possible conflicts of interest concerning the evaluation process.

Conflicts, include, but are not limited to, financial or personal interest in one or more of the firms being evaluated (personal interest includes relatives or close friends working with a firm being evaluated), attempts to influence your evaluation by anyone within the District or outside or any matter that could give rise to an appearance of preferential evaluation of one firm over another. At the conclusion of these proceedings, each of you also will sign a statement confirming that no conflict of interest exists with any of the respondents evaluated for a potential award under this solicitation.

- ***Sunshine Law Requirements.*** The packet contains an “Acknowledgment Form” regarding Committee discussions and the Sunshine Law provisions. The Office of Counsel also will discuss these requirements at the mandatory kick-off meeting. Pursuant to a 1997 court ruling, any meeting of two or more members of the selection committee is considered an “official meeting” and is subject to Florida’s Government in the Sunshine Law (Chapter 286, Florida Statutes). All discussions must be reserved for the publicly noticed meeting set forth above. It is significant to note that failure to comply with the provisions of Florida’s Sunshine Law may result in civil penalties against the violators individually in an amount up to \$500.00, regardless of whether the violation was intentional. If it is determined that the violation was intentional, the evaluator may be assessed with criminal penalties.

Please sign, date and return the ‘Acknowledgment Form’ to the Chairperson by the date indicated above.

- ***Scoring Matrix/Evaluation Criteria Guidelines and Standards.*** The scoring matrix provides, in summary format, the evaluation factors to be utilized in the analysis of each proposal, with a predetermined maximum allocation of points for each major category and weights assigned to each sub-factor. The maximum total of potential points equals 100. The form includes columns designed for scoring of the written proposal and final scoring after oral presentations, if applicable.

The Chairperson will provide Evaluation Criteria Guidelines to provide a common understanding of what should be considered while reviewing the proposals. Evaluation Standards also will be provided to determine the relative merit (rating method) of each proposal with respect to the evaluation factors. In addition, these standards will reflect the method selected in the Procurement Strategy stage to evaluate cost factors as part of the proposal rating method.



Instructions are provided on the scoring matrix, as follows: Place a numerical score from 0 to 5 before the weight (1, 2 or 3) assigned for each evaluation factor. Multiply the two numbers to reach an actual weighted score for each item. A summation of all the weighted scores becomes the numerical rating of a proposal by each evaluator.

Each committee member's score sheet must be supplemented by a narrative (Evaluation Worksheet) that describes the strengths and weaknesses of each proposal. This will assist the Project Manager in the preparation of a summary of the Committee's final decision (in coordination with Procurement) at the conclusion of the selection proceedings.

Please sign, date and return the completed score sheet(s) to the Chairperson by the date indicated above for final tabulation prior to the publicly noticed selection committee meeting. Depending on the method selected in the Procurement Strategy stage, the Chairperson will release the cost proposal to each committee member for additional evaluation and scoring in accordance with the Evaluation Standards.

Upon receipt of each committee member's scores for the cost proposals (if applicable), the Chairperson will prepare a spreadsheet of the Committee's summary raw scores, which are converted to individual and composite rankings for each firm. The summary score sheets are presented at the selection committee meeting.

**Committee Meeting.** The Committee will officially meet on the publicly noticed date set forth above. The Chairperson will prepare an agenda for the meeting. At this meeting, committee members will discuss the strengths and weaknesses of each of the proposals. Each committee member will complete a form that indicates comments relative to any scoring adjustments based on new information resulting from this discussion. The Chairperson will then distribute summary raw score and ranking matrices. The Chairperson will determine whether to proceed with contract award based on the composite scores/rankings or continuing with oral discussions. Oral discussions will be required in the event of ties or when there are discrepancies between the summary raw score and ranking matrices as to the top-ranked firm, which will require clarification.

If oral presentations become necessary, the Committee will determine the list of firms to be short-listed for further consideration. The number of firms selected will be based upon the Committee's determination of the proposals that have a reasonable chance of being accepted for award. Identical questions will be prepared at the Committee meeting. The order of presentations by each of the firms will be randomly selected by the Committee. The Chairperson will notify each of the firms short-listed for further consideration and will forward the questions to be addressed in conjunction with each scheduled presentation time to the firms participating in the oral discussions.

At the conclusion of the Committee meeting, the Chairperson will review the *Minutes* of the meeting for adoption by the Committee in accordance with the requirements of the Public Records Law (Chapter 119, Florida Statutes).

**Oral Presentations.** The Committee will officially meet on the publicly noticed date set forth above. All orals are conducted the same day. Upon conclusion, the Committee again will discuss the merits of each firm, considering both written proposals and oral presentations. Each committee member will independently re-score, as appropriate, after the discussion period. Written justification is required for all changes to the original scoring based on the written proposals. Each committee member will complete a form for each proposal, as appropriate, which indicates comments relative to any scoring adjustments following the presentations. At the conclusion of the oral presentations, the Chairperson will review the *Minutes* of the meeting for adoption by the Committee in accordance with the requirements of the Public Records Law (Chapter 119, Florida Statutes).

**Final Ranking of Proposals.** Each member of the selection committee will sign an “Attestation” form certifying that each is independent of and has no conflicts of interest with any of the respondents evaluated for a potential award under this solicitation. The form will be signed at the conclusion of the meeting in which the Chairperson gathers the final score sheets from each member for tabulation. Final determination of award will be based on the summary of individual rankings for each committee member.

**Posting of the Evaluation Results.** The results of the final evaluation and the establishment of the members of the negotiation team (generally the Project Manager and Chairperson) are officially posted via the *Authorization to Enter into Contract Negotiations*. A period of 72 hours after posting (weekends/holidays excluded) is required before any final award (subject to successful negotiations) can be made.

**Evaluation Report.** Upon completion of the technical evaluation, the Project Manager, in coordination with the Chairperson, will prepare a summary report of the strengths and weaknesses of each of the firms evaluated for award based on the results of the Committee’s deliberations. The information will assist the Project Manager and Chairperson in developing a pre-negotiation strategy with the top-ranked firm and will be used as the basis for debriefing of unsuccessful firms. All debriefings are conducted by the Project Manager and Chairperson.

**Initiation of Fact-Finding/Negotiation Process.** The Chairperson will coordinate with the members of the authorized negotiation team to begin the process of developing pre-negotiation strategies. Once agreement is reached regarding scope and cost requirements, a contract award will be executed.



**EXHIBIT 4**  
**GENERAL INSTRUCTIONS FOR TECHNICAL EVALUATION COMMITTEES**

**TO:** Selection Committee Members  
(Names)

**FROM:** Contract Specialist, Procurement  
(Name)

**DATE:** \_\_\_\_\_

**SUBJECT:** Evaluation of CCNA Request for Proposal C-\_\_\_\_\_

**Selection Committee Schedule:** (Dates, Time)

Mandatory Kick-Off Meeting: \_\_\_\_\_ Conf. Rm. \_\_\_\_\_

Score Sheet/Acknowledgment Form: Due \_\_\_\_\_

Committee Meeting: \_\_\_\_\_, Conf. Rm. \_\_\_\_\_

Alt. Date: \_\_\_\_\_ Conf. Rm. \_\_\_\_\_

Oral Presentations: \_\_\_\_\_, Conf. Rm. \_\_\_\_\_

Alt. Date: \_\_\_\_\_ Conf. Rm. \_\_\_\_\_

Each of you has been appointed to serve as a committee member for the selection of a firm for “\_\_\_\_\_” (title of project). As a member of the Selection Committee (Committee), your participation is critical to the successful completion of this process. Accordingly, except for unforeseen emergencies, your acceptance of this appointment confirms your commitment to perform the duties of a committee member throughout the evaluation timeframe. The technical proposals submitted in response to the referenced RFP will be provided to you at the mandatory kick-off meeting scheduled above. The procedures to be followed from the receipt of proposals to contract award are set forth below. Each member of the Committee should be thoroughly familiar with these procedures, including each member’s roles and responsibilities throughout this process.

**Chairperson.** As the representative of the Procurement office, I am designated the Chairperson of this Committee. As Chairperson, I will serve as a non-voting member of the Committee and will be available in an advisory capacity, with authority to make all procedural decisions throughout the evaluation process. To facilitate the exchange of information necessary in the evaluation process, please contact me directly. As a non-voting member of the Committee, any communication with individual members is not subject to the Sunshine Law provisions.

**Project Manager.** The Project Manager for this solicitation, \_\_\_\_\_, will serve as a technical advisor to the Committee. In this capacity, the Project Manager is a non-voting member of the Committee. The Project Manager will provide a detailed briefing of District project objectives at the mandatory kick-off meeting. As a non-voting member, the Project Manager is available to answer technical questions of the Committee during the evaluation process. The Project Manager shall attend all publicly noticed selection committee meetings but may not participate in the general discussion of the merits of each proposal, except to provide technical advice to the Committee as needed.

**Evaluation/Instruction Package.** Each of you will be receiving a packet of the following:

- |                                     |  |
|-------------------------------------|--|
| (1) Copy of the RFP and any addenda | (5) Scoring Matrix/Evaluation Worksheet      |
| (2) Acknowledgement Form            | (6) Evaluation Criteria Guidelines/Standards |
| (3) Advisory Body Members' Pamphlet | (7) Past Performance Records                 |
| (4) Copy of each proposal           | (8) Reference Questionnaire                  |

**Technical Evaluation.** The function of the Committee shall be to evaluate all technical proposals pursuant to the evaluation criteria set forth in the RFP. The specific criteria to be evaluated are set forth in the scoring matrix and are identical to the categories outlined in Part 3 of the solicitation. Please take time to review the evaluation criteria guidelines, once received, since it is important that each committee member has a common understanding of what should be considered while reviewing the proposals. In addition, please review Part 4 of the RFP – Statement of Work – before you begin this process. It is recommended that you read each proposal completely, initially; then re-read and score.

Please note that the evaluation phase is completed independently without consultation with other committee members. In addition, do not respond to any inquiries from interested respondents. Such unauthorized contact may serve to disqualify a respondent, or in extreme cases, may result in the termination of the procurement action. In the event anyone does contact you, please refer all such calls to the Chairperson.

The packet contains *Past Performance* records from Procurement for all firms that have been evaluated by District staff for contracts completed within the past three years. For those firms without a 'Past Performance' record, please enter a score of "3" for each to ensure consistency among the committee members in the evaluation process.

*Reference checks* will be completed by the committee member(s) designated by the Chairperson at the kick-off meeting. A minimum of three firms must be contacted regarding each respondent's past performance. A standard questionnaire is attached for this purpose. If deficiencies in past performance are noted, mitigating circumstances, if any, must also be noted. All questionnaires must be returned to me no later than two days before the publicly noticed committee meeting to allow time for review and distribution to each of the committee members for the scoring of this factor.

The scoring for the *M/WBE* section will be completed by the Equity in Contracting office and provided to the Chairperson for input on each committee member's score sheet. The Chairperson also will complete the scoring for the *Previous District Work* section and *Location* section. *Previous District Work:* The final score for each firm is formula based, calculated on the amount of dollars awarded to the respondent for the past three years (from the date of proposal receipt). *Location:* The final score for each firm is formula based, calculated on the number of miles from the specific job site to the firm's designated project office.

Each committee member is responsible for addressing the following:

- ***Conflicts of Interest.*** The packet contains a pamphlet entitled “Advisory Committee Members” which outlines the State’s Code of Ethics. The Office of Counsel will discuss these issues at the mandatory kick-off meeting. Pursuant to these guidelines, please note that the integrity of the procurement process is vital to a successful contracting process. Please contact the Chairperson immediately to report any possible conflicts of interest concerning the evaluation process.

Conflicts, include, but are not limited to, financial or personal interest in one or more of the firms being evaluated (personal interest includes relatives or close friends working with a firm being evaluated), attempts to influence your evaluation by anyone within the District or outside or any matter that could give rise to an appearance of preferential evaluation of one firm over another. At the conclusion of these proceedings, each of you also will sign a statement confirming that no conflict of interest exists with any of the respondents evaluated for a potential award under this solicitation.

- ***Sunshine Law Requirements.*** The packet contains an “Acknowledgment Form” regarding Committee discussions and the Sunshine Law provisions. The Office of Counsel also will discuss these requirements at the mandatory kick-off meeting. Pursuant to a 1997 court ruling, any meeting of two or more members of the selection committee is considered an “official meeting” and is subject to Florida’s Government in the Sunshine Law (Chapter 286, Florida Statutes). All discussions must be reserved for the publicly noticed meeting set forth above. It is significant to note that failure to comply with the provisions of Florida’s Sunshine Law may result in civil penalties against the violators individually in an amount up to \$500, regardless of whether the violation was intentional. If it is determined that the violation was intentional, the evaluator may be assessed with criminal penalties.

Please sign, date and return the ‘Acknowledgment Form’ to the Chairperson by the date indicated above.

- ***Scoring Matrix.*** The scoring matrix provides, in summary format, the evaluation factors to be utilized in the analysis of each proposal, with a predetermined maximum allocation of points for each major category and weights assigned to each sub-factor. The maximum total of potential points equals 100. The form includes columns designed for scoring of the written proposal and final scoring after oral presentations, if applicable.

The Chairperson will provide Evaluation Criteria Guidelines to provide a common understanding of what should be considered while reviewing the proposals. Evaluation Standards also will be provided to determine the relative merit (rating method) of each proposal with respect to the evaluation factors.

Instructions are provided on the scoring matrix, as follows: Place a numerical score from 0 to 5 before the weight (1, 2 or 3) assigned for each evaluation factor. Multiply the two numbers to reach an actual weighted score for each item. A summation of all the weighted scores becomes the numerical rating of a proposal by each evaluator.

Each committee member's score sheet must be supplemented by a narrative (Evaluation Worksheet) that describes the strengths and weaknesses of each proposal. This will assist the Project Manager in the preparation of a summary of the Committee's final decision (in coordination with Procurement) at the conclusion of the selection proceedings.

Please sign, date and return the completed score sheet(s) to the Chairperson by the date indicated above for final tabulation prior to the publicly noticed selection committee meeting.

The Chairperson will prepare a spreadsheet of the Committee's summary raw scores, which are converted to individual and composite rankings for each firm. The summary score sheets are presented at the selection committee meeting.

**Committee Meeting.** The Committee will officially meet on the publicly noticed date set forth above. At this meeting, committee members will discuss the strengths and weaknesses of each of the proposals. Each committee member will complete a form that indicates comments relative to any scoring adjustments based on new information resulting from this discussion. The Chairperson will then distribute summary raw score and ranking matrices. The Committee will reach verbal consensus on proceeding with the firms that will be short-listed for oral presentations (minimum of the top-ranked three firms) based on the composite scores/rankings. At the conclusion of the Committee meeting, the Chairperson will review the *Minutes* of the meeting for adoption by the Committee in accordance with the requirements of the Public Records Law (Section 119, Florida Statutes).

**Oral Presentations.** Identical questions will be prepared at the Committee meeting and forwarded to each of the firms participating in oral discussions. All orals are conducted the same day. Upon conclusion, the Committee again will discuss the merits of each firm, considering both written proposals and oral presentations. Each committee member independently re-scores, as appropriate. Written justification is required for all changes to the original scoring based on the written proposals. Each committee member will complete a form that indicates comments relative to any scoring adjustments following the presentations. At the conclusion of the oral presentations, the Chairperson will review the *Minutes* of the meeting for adoption by the Committee in accordance with the requirements of the Public Records Law (Section 119, Florida Statutes).

**Final Ranking of Proposals.** Each member of the selection committee will sign an "Attestation" form certifying that each is independent of and has no conflicts of interest with any of the respondents evaluated for a potential award under this solicitation. The form will be signed at the conclusion of the meeting in which the Chairperson gathers the final score sheets from each member for tabulation. Final determination of award will be based on the summary of individual rankings for each committee member.

**Posting of the Evaluation Results.** The results of the final evaluation and the establishment of the members of the negotiation team (generally the Project Manager and Chairperson) are officially posted via the *Authorization to Enter into Contract Negotiations*. A period of 72 hours after posting (weekends/holidays excluded) is required before any final award (subject to successful negotiations) can be made.

**Evaluation Report.** Upon completion of the technical evaluation, the Project Manager, in coordination with the Chairperson, will prepare a summary report of the strengths and weaknesses of each of the firms evaluated for award based on the results of the Committee's deliberations. The information will assist the Project Manager and Chairperson in developing a pre-negotiation strategy with the top-ranked firm and will be used as the basis for debriefing of unsuccessful firms. All debriefings are conducted by the Project Manager and Chairperson.

**Initiation of Fact-Finding/Negotiation Process.** The Chairperson will coordinate with the members of the authorized negotiation team to begin the process of requesting a cost proposal from the top-ranked firm and developing pre-negotiation strategies. Once agreement is reached regarding scope and cost requirements, a contract award will be executed.



RFP NO. C\_\_\_\_\_ Title:\_\_\_\_\_ Completed by: \_\_\_\_\_

CONSULTANT REFERENCE CHECK

DISTRICT CONSULTANT: \_\_\_\_\_

FIRM/COMPANY FOR WHOM CONSULTING SERVICES WERE PROVIDED:

\_\_\_\_\_

CONTACT PERSON / TELEPHONE NO: \_\_\_\_\_

DATE OF CONTACT: \_\_\_\_\_

1. What was the size and type of the project handled by the consultant?
2. What kind of contract was used? Firm Fixed-Price Contract? Incentive Fixed-Price Contract? etc.
3. What was the consultants fee for the service provided?
4. Were there any overruns on costs? On time? If not, why?
5. Did the consultant meet the objectives of the project? If not, why?
6. How well did the consultant interact with your staff?
7. Were there any specific problems - and how may they have been prevented?
8. Did the consultant participate in a project implementation stage and was his work effective?
9. Did the consultant have any special strengths - weaknesses?
10. Would you rehire the consultant? Do you have any other comments regarding this consultant?

Exhibit 4 - Sample Non-CCNA Project

Evaluation Form  
RFP C-----

Name of Committee Member	Max Pts.	Name of Respondent					Name of Respondent					Name of Respondent				
		Wgt	W*	Wgt	O**	Wgt	W*	Wgt	O**	Wgt	W*	Wgt	O**			
<b>Technical</b>																
Understanding of the Scope of Work		x 2=		x 2=		x 2=		x 2=		x 2=		x 2=				
Proposed Methodology		x 1=		x 1=		x 1=		x 1=		x 1=		x 1=				
Timeliness of Proj. Schedule (District deadlines)		x 1=		x 1=		x 1=		x 1=		x 1=		x 1=				
Staff Workload Distribution		x 2=		x 2=		x 2=		x 2=		x 2=		x 2=				
Precision/Accuracy Capabilities of Laboratory																
<b>Total</b>	35															
<b>Qualifications and Experience</b>																
Qualifications of Staff & Firm		x 1=		x 1=		x 1=		x 1=		x 1=		x 1=				
Staff/Firm Exper. w/ Water Quality Sample Collec/Analysis		x 2=		x 2=		x 2=		x 2=		x 2=		x 2=				
Familiarity with the Caloosahatchee Estuary/Tidal Basin		x 1=		x 1=		x 1=		x 1=		x 1=		x 1=				
Avail. Of Qualified Personnel/Strength of Research Team		x 2=		x 2=		x 2=		x 2=		x 2=		x 2=				
Past Performance Records		x 1=		x 1=		x 1=		x 1=		x 1=		x 1=				
<b>References</b>																
<b>Total</b>	40															
<b>Financial</b>																
Reasonableness of Total Proposed Price		x 1=		x 1=		x 1=		x 1=		x 1=		x 1=				
Cost Effectiveness (Breakdown/Justification)		x 1=		x 1=		x 1=		x 1=		x 1=		x 1=				
<b>Total</b>	10															
<b>Equity in Contracting</b>																
M/WBE Participation (EIC Scoring)																
<b>Total</b>	10															
<b>Previous District Work</b>																
Previous District Work (CA Scoring)																
<b>Total</b>	5															
<b>Grand Total</b>	100															

Instructions: Place a value from 0 to 5 before the X in each category. Multiply that value by the assigned weight.

W\* = Score for Written Proposal

O\*\* = Score after Oral Presentation, if applicable

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Exhibit 4 - Sample CCNA Project

Evaluation Form  
RFP C-----

	Max Pts.	Name of Respondent			Name of Respondent			Name of Respondent			Name of Respondent		
		Wgt	W*	O**	Wgt	W*	O**	Wgt	W*	O**	Wgt	W*	O**
<b>Technical</b>													
Understanding of the Scope of Work		x 3=			x 3=			x 3=			x 3=		
Proposed Approach/Methodology		x 3=			x 3=			x 3=			x 3=		
Soundness of Proposal		x 2=			x 2=			x 2=			x 2=		
<b>Total</b>	40												
<b>Qualifications and Experience</b>													
Qual/Exper. of Firm with Similar Projects, including Subs		x 1=			x 1=			x 1=			x 1=		
Qual/Exper. of Staff Dedicated to Project, including Subs		x 1=			x 1=			x 1=			x 1=		
Avail. Of Qualified Personnel/Strength of Team		x 1=			x 1=			x 1=			x 1=		
Quality Control Systems and Procedures		x 1=			x 1=			x 1=			x 1=		
Past Performance Records		x 1=			x 1=			x 1=			x 1=		
<b>References</b>													
<b>Total</b>	30												
<b>Project Schedule</b>													
Willingness to Meet Time and Budget Requirements		x 1=			x 1=			x 1=			x 1=		
Recent, Current and Projected Workload(s) of the Firm		x 1=			x 1=			x 1=			x 1=		
<b>Total</b>	10												
<b>Location Considerations</b>													
Loc. of the Firm(s) & Prox/ of Key Personnel (CA Scoring)													
<b>Total</b>	5												
<b>Equity in Contracting</b>													
M/WBE Participation (EIC Scoring)													
<b>Total</b>	10												
<b>Previous District Work</b>													
Previous District Work (CA Scoring)													
<b>Total</b>	5												
<b>Grand Total</b>	100												

Instructions: Place a value from 0 to 5 before the X in each category. Multiply that value by the assigned weight.

W\* = Score for Written Proposal

O\*\* = Score after Oral Presentation

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**WRITTEN PROPOSAL EVALUATION SUMMARY SHEET**  
**RFP C-----**  
**INDIVIDUAL RANKINGS FOR EACH COMMITTEE MEMBER**

<b>INDIVIDUAL RANKINGS</b>					
Date	Respondent	Respondent	Respondent	Respondent	Respondent
Committee Members					
#1	4	1	3	5	2
#2	4	1	3	4	2
#3	4	1	2	5	3
#4	3	1	2	5	4
#5	4	1	3	5	2
#6	4	1	1	5	3
#7	4	1	2	5	3
TOTAL	27	7	16	34	19
RANK	4	1	2	5	3

**WRITTEN PROPOSAL EVALUATION SUMMARY SHEET**  
**RFP C-----**  
**RAW SCORES FOR EACH COMMITTEE MEMBER**

<b>RAW SCORES</b>				
Date	Respondent	Respondent	Respondent	Respondent
Committee Member				
#1	54	59	77	80
#2	42	38	79	69
#3	55	35	84	73
#4	67	67	79	70
#5	57	52	76	69
<b>TOTAL</b>	<b>275</b>	<b>251</b>	<b>395</b>	<b>361</b>
<b>RANK</b>	<b>3</b>	<b>4</b>	<b>1</b>	<b>2</b>

**EXHIBIT 4**

**RFP C-\_\_\_\_\_**

**Name of Respondent:\_\_\_\_\_**

**COMMENTS RELATIVE TO ANY SCORING ADJUSTMENTS  
FOLLOWING WRITTEN PROPOSAL EVALUATION AND  
GENERAL COMMITTEE MEETING – [DATE]**

**• *Comments on Adjustments Made to Technical Category Scoring:***

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**• *Comments on Adjustments Made to Qualifications Category Scoring:***

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**• *Comments on Adjustments Made to Financial Category Scoring:***

**[Mark N/A if not applicable]**

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Evaluation Committee Member Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT 4**

**RFP C-\_\_\_\_\_**

**Name of Respondent: \_\_\_\_\_**

**COMMENTS RELATIVE TO ANY SCORING ADJUSTMENTS FOLLOWING  
ORAL PRESENTATIONS CONDUCTED ON [DATE]**

• ***Comments on Adjustments Made to Technical Category Scoring:***

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• ***Comments on Adjustments Made to Qualifications Category Scoring:***

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• ***Comments on Adjustments Made to Financial Category Scoring:***

**[Mark N/A if not applicable]**

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Evaluation Committee Member Signature: \_\_\_\_\_

Date: \_\_\_\_\_

EXHIBIT 4  
**ATTESTATION**

I hereby certify that in the evaluation process and ensuing award of contract for Contract No. \_\_\_\_\_, I am independent of and have no conflict of interest in any of the respondents listed on the reverse side.

Signed by the Selection Committee:

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Date: \_\_\_\_\_





# **SOUTH FLORIDA WATER MANAGEMENT DISTRICT OFFICIAL NOTICE**

## **AUTHORIZATION TO ENTER INTO CONTRACT NEGOTIATIONS**

Contract No.: C- -----

Project Description:☐ C.C.N.A Contract (F.S. 287.055)☐ Non-C.C.N.A. Contract

Authorization requested to enter into contract negotiations with (shown in ranked order):

- 1.
- 2.
- 3.
- 4.

The Selection Committee has completed the evaluation process and ranked respondents in the order shown above. Negotiations will commence with the number one ranked respondent. The District anticipates awarding one (1) contract as a result of this solicitation.

The following staff is recommended as members of the negotiating team:

1. \_\_\_\_\_  
Project Manager

2. \_\_\_\_\_  
Contract Specialist

### **Approvals:**

1. Evaluation and selection completed per District procedures.

1. \_\_\_\_\_  
Project Manager Date

2. Division / Office Director or Deputy authorizes appointment of negotiators and commencement of negotiations.

2. \_\_\_\_\_  
Division./Office Director Date

3. Procurement verifies competitive process and compliance with District Procurement Policy, and concurs with appointment of negotiators.

3a. \_\_\_\_\_  
Contract Specialist Date

3b. \_\_\_\_\_  
Procurement Manager/Director Date

4. \* Counsel signature only required when authorization is to commence negotiations with other than highest ranked proposer.

4. \_\_\_\_\_  
\* Counsel (or N/A if not applicable) Date

5. If contract is over \$150,000, Deputy Executive Director authorizes appointment of negotiators and commencement of negotiation (after all of the above required approvals).

5. \_\_\_\_\_  
Dep. Exec. Director (or N/A if not applicable) Date

**NOTE:** This form shall serve as the "Committee's Evaluation Memorandum" in compliance with the District's obligation to provide notice of a decision or intended decision pursuant to Chapter 28-110, Florida Administrative Code. Failure to file a protest within the time prescribed in Section 120.57(3), Florida Statutes and Chapter 28-110, F. A. C., or failure to post the bond or other security required by law within the time allowed for filing a bond shall constitute a waiver of proceedings under Chapter 120, Florida Statutes.

**Posting Date:** \_\_\_\_\_

**Posting Time:** \_\_\_\_\_

**EXHIBIT 5**  
**EVALUATION CRITERIA GUIDELINES (NON-CCNA)**  
**RFP NO. C-\_\_\_\_\_**

**PROJECT TITLE: \_\_\_\_\_**

***TECHNICAL:***

➤ Proposed Methodology and Understanding of the Scope of Work

This category scores the respondent's project approach – how the tasks will be broken down and how they will be accomplished. The proposal should provide sufficient detail to give the evaluator a good idea of how the respondent will proceed, if selected for contract award. Generally a more detailed approach is preferable and should be scored higher. In scoring this area, consideration should be given, but is not limited to, the following items:

- Has the respondent demonstrated a clear and comprehensive understanding of the Scope of Work and the Work Breakdown Structure?
- Has the respondent listed all required resources and equipment that will be necessary to complete the work? Are they adequate from your perspective?
- Has the respondent clearly stated the project approach and does the proposed work plan support it?
- Has a project management plan been established, i.e., elements of communication, methods of monitoring progress, subcontract management, etc?
- Has the respondent delineated a plan for comprehensive Quality Assurance/Quality Control?
- Does the proposal meet all of the required technical objectives outlined in the Statement of Work?
- Does the proposal have any material weaknesses that would impede successful implementation?

➤ Timeliness of Project Schedule

- Has the respondent reacted favorably to meeting the desired District deadlines?
- Does the respondent's project schedule seem reasonable in light of the tasks that need to be accomplished? Has the respondent allowed adequate time for District review and feedback on deliverables?

➤ Staffing and Workload Distribution

- Has the respondent proposed a project team with adequate and/or appropriate expertise? Is the percentage of time allocated per staff member working on the project adequate and appropriate to meet the requirements of the Statement of Work? Has adequate QA/QC time been included?

## ***QUALIFICATIONS AND EXPERIENCE:***

### ➤ Qualifications of Staff and Firm with Similar Projects (including subcontractors)

- Do descriptions of current and past projects indicate that the respondent's team has sufficient technical experience with other, similar projects of this type and magnitude?

### ➤ Qualifications/Experience of Staff Dedicated to Project (including subcontractors)

- Does the proposal indicate that the respondent is fully qualified to perform all elements of the project?
- Have they provided evidence that qualifications and experience extend to all requisite technical disciplines?

### ➤ Strength of Research Team/Availability of Qualified Personnel

Consideration should include, but not be limited to, the following:

- Are the most qualified members of the respondent's project team available to work on the required elements of the project?
- Is there any indication that there will be other demands on staff time which could create a conflict based on evidence of current or projected workloads of the firm?

### ➤ Past Performance Records

- The Chairperson will provide copies of evaluation sheets that will be taken from the procurement records to denote how well the respondents have performed on District projects for the past three (3) years.
- For those firms for whom no "Past Performance" records are available, please indicate a score of "3" for each of those firms to ensure consistency in the evaluation process.

➤ References

- The Project Manager or delegate will contact at least three outside references provided by each respondent. A standard questionnaire will be used to document the results (see attached).
- Copies of the questionnaire will be provided to each evaluation team member upon completion of the reference checks for consideration in determining the score for this category.

***LOCATION CONSIDERATIONS (If Applicable)***

- For this project, it is important that the selected Contractor's project manager and key staff are located in an office within close proximity to [insert specific job site].
- Using the District's "Mileage Chart" and a standard scoring matrix, the Chairperson will assign a score for each respondent's project manager/local office based on the number of miles from the [insert specific job site].

***FINANCIAL:***

➤ Total Proposed Price

The Chairperson will complete the scoring for this category.

➤ Cost Effectiveness

Evaluation Standards are included in the Instruction Package which describe the rating method for this category.

***M/WBE PARTICIPATION:***

The Chairperson will obtain input from the District's Office of Equity in Contracting and will complete the scoring for this category.

***PREVIOUS DISTRICT WORK:***

The Chairperson will complete the scoring for this category. This information will be based on the dollar volume of District contract awards to each respondent in the past three years.



**EXHIBIT 5**  
**EVALUATION CRITERIA GUIDELINES (CCNA)**  
**RFP NO. C-\_\_\_\_\_**

**PROJECT TITLE:** \_\_\_\_\_

***TECHNICAL:***

➤ Proposed Methodology and Understanding of the Scope of Work

This category scores the respondent's project approach – how the tasks will be broken down and how they will be accomplished. The proposal should provide sufficient detail to give the evaluator a good idea of how the respondent will proceed, if selected for contract award. Generally a more detailed approach is preferable and should be scored higher. In scoring this area, consideration should be given, but is not limited to, the following items:

- Has the respondent demonstrated a clear and comprehensive understanding of the Scope of Work and the Work Breakdown Structure?
- Has the respondent listed all required resources and equipment that will be necessary to complete the work? Are they adequate from your perspective?
- Has the respondent clearly stated the project approach and does the proposed work plan support it?
- Has a project management plan been established, i.e., elements of communication, methods of monitoring progress, subcontract management, etc?

➤ Soundness of Proposal:

- Does the proposal meet all of the required technical objectives outlined in the Statement of Work?
- Has the respondent made appropriate assumptions that support the proposed solution?
- Does the proposal have any material weaknesses that would impede successful implementation?

***QUALIFICATIONS AND EXPERIENCE:***

➤ Qualifications/Experience of Staff and Firm with Similar Projects  
(including subcontractors)

- Do descriptions of current and past projects indicate that the respondent's team has sufficient technical experience with other, similar projects of this type and magnitude?

➤ Qualifications/Experience of Staff Dedicated to Project (including subcontractors)

- Does the proposal indicate that the respondent is fully qualified to perform all elements of the project?
- Have they provided evidence that qualifications and experience extend to all requisite technical disciplines?

➤ Availability of Qualified Personnel/Strength of Research Team

Consideration should include, but not be limited to, the following:

- Are the most qualified members of the respondent's project team available to work on the required elements of the project?
- Is there any indication that there will be other demands on staff time, which could create a conflict based on evidence of current or projected workloads of the firm?

➤ Quality Control Systems and Procedures

- Has the respondent delineated a plan for comprehensive Quality Assurance/Quality Control?

➤ Past Performance Records

The Procurement Analyst will provide copies of evaluation sheets that will be taken from the procurement records to denote how well the respondents have performed on past District projects for the past three (3) years.

For those firms for whom no "Past Performance" records are available, please enter a score of '3' for each of those firms to ensure consistency in the evaluation process.

➤ References

- The Project Manager or delegate will contact at least three outside references provided by each respondent. A standard questionnaire will be used to document the results.
- Copies of the questionnaires will be provided to each evaluation team member upon completion of the reference checks for consideration in determining the score for this category.

### ***LOCATION CONSIDERATIONS:***

- For this project, it is important that the selected Consultant's project manager and key staff are located in an office within close proximity to [insert specific job site].
- Using the District's "Mileage Chart" and a standard scoring matrix, the Chairperson will assign a score for each respondent's project manager/local office based on the number of miles from the [insert specific job site].

### ***PROJECT SCHEDULE:***

#### ➤ Willingness to Meet Time/Budget Requirements

- Has the respondent reacted favorably to meeting the desired District deadlines?
- Does the respondent's project schedule seem reasonable in light of the tasks that need to be accomplished?
- Has the respondent allowed adequate time for District review and feedback on deliverables?
- Has the respondent proposed a project team with adequate and/or appropriate expertise? Is the percentage of time allocated per staff member working on the project adequate and appropriate to meet the requirements of the Statement of Work? Has adequate QA/QC time been included?
- Does the proposal provide any information that might lead you to believe that the respondent might not be able or willing to work within a reasonable firm fixed price or lump sum budget?

#### ➤ Recent, Current & Projected Workload(s) of Firm

- Is there any indication that there will be other demands on staff time which could create a conflict based on evidence of current or projected work loads of the firm?

### ***M/WBE PARTICIPATION:***

The Chairperson will obtain input from the District's Office of Equity in Contracting (EIC) and will complete the scoring for this category.

### ***PREVIOUS DISTRICT WORK:***

The Chairperson will complete the scoring for this category. This information will be based on the dollar volume of District contract awards to each respondent in the past three years.





**EXHIBIT 6**  
**STANDARDS FOR EVALUATION OF PROPOSALS**  
**RATING METHOD FOR NON-CCNA RFP**

**Scoring by Selection Committee Members**

Scoring for each evaluation category, as set forth in the evaluation matrix and supported by the evaluation criteria guidelines, reflects the selection committee member's confidence in each respondent's ability, as demonstrated in its proposal, to perform the requirements stated in the solicitation.

Utilize the following numerical ratings and descriptions to determine the numerical score (0 to 5) that will be placed before the weight (1, 2 or 3) that has been assigned for each evaluation factor. Multiply the numbers to reach the actual weighted score for each item evaluated.

**A. Technical Merit and Qualifications/Experience Categories**

<b>Numerical Score</b>	<b>Description</b>	<b>Definition</b>
5	Excellent	Proposal demonstrates excellent understanding of requirements and outstanding approach that significantly exceeds performance or capability standards. Proposed staff and/or teaming arrangements have exceptional strengths that provide a high probability of satisfying District requirements.
4	Very Good	Proposal demonstrates very good understanding of requirements and strong approach that exceeds performance or capability standards. Proposed staff and/or teaming arrangements have significant strengths and strong probability of satisfying the District requirements.
3	Good	Proposal demonstrates good understanding of requirements and solid approach that exceeds performance or capability standards. Proposed staff and/or teaming arrangements have one or more strengths and good probability of satisfying the District requirements.
2	Satisfactory	Proposal demonstrates acceptable understanding of requirements and satisfactory approach that meets performance or capability standards and offers an acceptable solution. Proposed staff and/or teaming arrangements have acceptable qualifications/experience. Few or no strengths that will benefit the District.
1	Marginal	Proposal demonstrates shallow understanding of requirements with an approach and/or proposed staff/teaming arrangements that only marginally meet performance or capability standards necessary for minimal but acceptable contract performance.
0	Unsatisfactory	Proposal fails to meet performance or capability standards. Requirements can only be met by major changes to the proposal.

**B. Past Performance and References Categories (Past 3 Years)**

<b>Numerical Score</b>	<b>Description</b>	<b>Definition</b>
5	Very Low Risk	Respondent's past performance record provides essentially no doubt that the respondent will successfully perform the required effort based on the respondent's demonstrated performance on current or recent, relevant projects (interim performance records or reference checks).
4	Low Risk	Respondent's past performance record provides little doubt that the respondent will successfully perform the required effort based on the respondent's demonstrated performance on current or recent, relevant projects (interim performance records or reference checks).
3	Moderate Risk	No current past performance records on file in Procurement or Respondent's past performance record provides some doubt that the respondent will successfully perform the required effort based on the respondent's demonstrated performance on current or recent, relevant projects (interim performance records or reference checks).
2	High Risk	Respondent's past performance record provides substantial doubt that the respondent will successfully perform the required effort based on the respondent's demonstrated performance on current or recent, relevant projects (interim performance records or reference checks).
1	Very High Risk	Respondent's past performance record provides extreme doubt that the respondent will successfully perform the required effort based on the respondent's demonstrated performance on current or recent, relevant projects (interim performance records or reference checks).

**C. Financial Category – Cost Effectiveness Scoring**

Applicable to this solicitation? Yes \_\_\_\_\_ No \_\_\_\_\_

Numerical Score	Description	Definition
5	Excellent	<p>A. Full description/supporting documentation/payment Schedule:</p> <ul style="list-style-type: none"> <li>▪ Direct Labor (labor hours/rates for each staff member)</li> <li>▪ Indirect Costs (overhead/G&amp;A breakout)</li> <li>▪ Other Costs (travel, equipment, computer/software, subcontractors/consultants)</li> </ul> <p>B. Allocation of costs appear to be reasonable and appropriate for the proposed Statement of Work (SOW)</p>
4	Very Good	<p>A. Nearly complete package of cost element Breakdown/supporting documentation/payment schedule:</p> <ul style="list-style-type: none"> <li>▪ Direct Labor (labor hours/rates for each staff member)</li> <li>▪ Indirect Costs (overhead/G&amp;A breakout)</li> <li>▪ Other Costs (travel, equipment, computer/software, subcontractors/consultants)</li> </ul> <p>B. Allocation of costs appear to be reasonable and appropriate for the proposed Statement of Work</p>
3	Good	<p>A. Most details of cost element breakdown/supporting Documentation/payment schedule included:</p> <ul style="list-style-type: none"> <li>▪ Direct Labor (labor hours/rates for each staff member)</li> <li>▪ Indirect Costs (overhead/G&amp;A breakout)</li> <li>▪ Other Costs (travel, equipment, computer/software, subcontractors/consultants)</li> </ul> <p>B. Allocation of costs appear to be reasonable and appropriate for the proposed Statement of Work (SOW)</p>
2	Satisfactory	<p>A. Many details of cost element breakdown/supporting documentation/payment schedule included:</p> <ul style="list-style-type: none"> <li>▪ Direct Labor (labor hours/rates for each staff member)</li> <li>▪ Indirect Costs (overhead/G&amp;A breakout)</li> <li>▪ Other Costs (travel, equipment, computer/software, subcontractors/consultants)</li> </ul> <p>B. Some doubt regarding the allocation of costs and whether they are appropriate for the proposed Statement of Work</p>
1	Marginal	Few details of cost element breakdown and documentation included and it is difficult to determine whether they are consistent and/or appropriate for proposed Statement of Work.
0	Unsatisfactory	Breakout and/or supporting documentation for direct labor, indirect costs and other direct costs are incomplete or not provided.

## **Scoring by Chairperson of Committee**

### **A. Previous District Work Category (Past 3 Years)**

<b>Dollar Volume of Previous Work Awarded</b>	<b>Numerical Score</b>
\$0 - \$50,000	5
\$50,001 - \$150,000	4
\$150,001 - \$300,000	3
\$300,001 - \$500,000	2
\$500,001 - \$750,000	1
Over \$750,000	0

### **B. Location Category (Work will be performed outside of Palm Beach County)**

The location of the project site is identified in the solicitation. If the respondent specifies a local or Florida-based office, the respondent's Project Manager and other key personnel for the proposed services must be located out of that local office to receive consideration. To determine the point score, calculate the number of miles from District headquarters or from a site-specific location of the respondent's project office. A "Mileage Chart" from West Palm Beach headquarters to various cities within Florida is set forth below. (Individual charts must be established at the time of solicitation release when it is necessary for the respondent's office to be within proximity of a particular job site).

<b>Miles from District Headquarters/Job Site</b>	<b>Numerical Score</b>
0-100	10
101-200	8
201-300	6
301-400	4
401-500	2
Over 500	0

### **Mileage Chart (from West Palm Beach Headquarters)**

<b>City</b>	<b>Miles</b>	<b>City</b>	<b>Miles</b>
Bartow	155	Clewiston	55
Belle Glade	43	Cocoa Beach	122
Boca Raton	26	Coral Gables	69
Boynton Beach	13	Daytona Beach	187
Bradenton	176	Deland	192
Brooksville	219	Delray Beach	18
Clearwater	214	Ft. Lauderdale	38

**Mileage Chart (from West Palm Beach Headquarters)**

City	Miles	City	Miles
Ft. Myers	124	Naples/Big Cypress	160
Ft. Pierce	54	Ocala	233
Ft. Walton Beach	547	Okeechobee F.S.	70
Gainesville	269	Orlando	166
Hialeh	66	Panama City	493
Hollywood	50	Pensacola	587
Homestead	100	Plant City	178
Jacksonville	274	Pompano Beach	34
Key West	219	St. Augustine	238
Kissimmee	150	Sanford	176
Lakeland	168	Sarasota	174
Lake City	310	Tallahassee	401
Largo	212	Tampa	192
Leesburg	202	Titusville	142
Melbourne	101	Vero Beach	68
Miami	70	Winterhaven	154

**C. Financial Category - Price Scoring**

The Chairperson will determine the reasonableness of the respondent's proposed price by calculating the price score for each proposal in accordance with the following methodology:

- The respondent submitting the lowest price proposal (e.g., firm "A") shall receive the maximum score of "x" points designated in the solicitation for the cost/price factor.
- The price score of each additional respondent (e.g., firm "B", etc.) shall be calculated in relation to the price of the low respondent based on the formula below.

$$\frac{\text{Firm A's Price} \times \text{Maximum Points}}{\text{Firm B's Price}} = \text{Price Score of Firm B}$$

**Instructions to Selection Committee Members:** Use this worksheet to record the overall scoring (technical merit, qualifications and experience, past performance and reference checks). Using the criteria set forth in the evaluation matrix and the evaluation standards and rating definitions, state the evaluation results in terms of strengths, weaknesses (including significant weaknesses or deficiencies) and risks. Indicate clarifications that may be necessary and use continuation sheets as needed.

<b>WRITTEN PROPOSAL EVALUATION WORKSHEET</b>	
RFP No.:	Respondent:
Evaluator's Name:	
<b>TECHNICAL CATEGORY</b>	
Maximum Points Available:	Initial Scoring:
Strengths:	
Weaknesses/Risks:	
<b>QUALIFICATIONS AND EXPERIENCE CATEGORY</b>	
Maximum Points Available:	Initial Scoring:
Strengths:	
Weaknesses/Risks:	
<b>PAST PERFORMANCE AND REFERENCES CATEGORY</b>	
Maximum Points Available:	Initial Scoring:
Strengths:	
Weaknesses/Risks:	

**EXHIBIT 6**  
**STANDARDS FOR EVALUATION OF PROPOSALS**  
**RATING METHOD FOR CCNA RFP**

**Scoring by Selection Committee Members**

Scoring for each evaluation category, as set forth in the evaluation matrix and supported by the evaluation criteria guidelines, reflects the selection committee member's confidence in each respondent's ability, as demonstrated in its proposal, to perform the requirements stated in the solicitation.

Utilize the following numerical ratings and descriptions to determine the numerical score (0 to 5) that will be placed before the weight (1, 2 or 3) that has been assigned for each evaluation factor. Multiply the numbers to reach the actual weighted score for each item evaluated.

**A. Technical Merit and Qualifications/Experience Categories**

<b>Numerical Score</b>	<b>Description</b>	<b>Definition</b>
5	Excellent	Proposal demonstrates excellent understanding of requirements and outstanding approach that significantly exceeds performance or capability standards. Proposed staff and/or teaming arrangements have exceptional strengths that provide a high probability of satisfying District requirements.
4	Very Good	Proposal demonstrates very good understanding of requirements and strong approach that exceeds performance or capability standards. Proposed staff and/or teaming arrangements have significant strengths and strong probability of satisfying the District requirements.
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1	Marginal	Proposal demonstrates shallow understanding of requirements with an approach and/or proposed staff/teaming arrangements that only marginally meet performance or capability standards necessary for minimal but acceptable contract performance.
0	Unsatisfactory	Proposal fails to meet performance or capability standards. Requirements can only be met by major changes to the proposal.



**B. Past Performance and References Categories (Past 3 Years)**

<b>Numerical Score</b>	<b>Description</b>	<b>Definition</b>
5	Very Low Risk	Respondent's past performance record provides essentially no doubt that the respondent will successfully perform the required effort based on the respondent's demonstrated performance on current or recent, relevant projects (interim performance records or reference checks).
4	Low Risk	Respondent's past performance record provides little doubt that the respondent will successfully perform the required effort based on the respondent's demonstrated performance on current or recent, relevant projects (interim performance records or reference checks).
3	Moderate Risk	No current past performance records on file in Procurement or Respondent's past performance record provides some doubt that the respondent will successfully perform the required effort based on the respondent's demonstrated performance on current or recent, relevant projects (interim performance records or reference checks).
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1	Very High Risk	Respondent's past performance record provides extreme doubt that the respondent will successfully perform the required effort based on the respondent's demonstrated performance on current or recent, relevant projects (interim performance records or reference checks).

## **Scoring by Chairperson of Committee**

### **A. Previous District Work Category (Past 3 Years)**

<b>Dollar Volume of Previous Work Awarded</b>	<b>Numerical Score</b>
\$0 - \$50,000	5
\$50,001 - \$150,000	4
\$150,001 - \$300,000	3
\$300,001 - \$500,000	2
\$500,001 - \$750,000	1
Over \$750,000	0

### **B. Location Category**

The location of the project site is identified in the solicitation. If the respondent specifies a local or Florida-based office, the respondent's Project Manager and other key personnel for the proposed services must be located out of that local office to receive consideration. To determine the point score, calculate the number of miles from District headquarters or from a site-specific location of the respondent's project office. A "Mileage Chart" from West Palm Beach headquarters to various cities within Florida is set forth below. (Individual charts must be established at the time of solicitation release when it is necessary for the respondent's office to be within proximity of a particular job site).

<b>Miles from District Headquarters/Job Site</b>	<b>Numerical Score</b>
0-100	10
101-200	8
201-300	6
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401-500	2
Over 500	0

### **Mileage Chart (from West Palm Beach Headquarters)**

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**Mileage Chart (from West Palm Beach Headquarters)**

<b>City</b>	<b>Miles</b>	<b>City</b>	<b>Miles</b>
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Gainesville	269	Orlando	166
Hialeh	66	Panama City	493
Hollywood	50	Pensacola	587
Homestead	100	Plant City	178
Jacksonville	274	Pompano Beach	34
Key West	219	St. Augustine	238
Kissimmee	150	Sanford	176
Lakeland	168	Sarasota	174
Lake City	310	Tallahassee	401
Largo	212	Tampa	192
Leesburg	202	Titusville	142
Melbourne	101	Vero Beach	68
Miami	70	Winterhaven	154

**Instructions to Selection Committee Members:** Use this worksheet to record the overall scoring technical merit, qualifications and experience, past performance and reference checks). Using the criteria set forth in the evaluation matrix and the evaluation standards and rating definitions, state the evaluation results in terms of strengths, weaknesses (including significant weaknesses or deficiencies) and risks. Indicate clarifications that may be necessary (for discussions or formal oral presentations) and use continuation sheets as needed.

<b>WRITTEN PROPOSAL EVALUATION WORKSHEET</b>	
CCNA RFP No.:	Respondent:
Evaluator's Name:	
<b>TECHNICAL CATEGORY</b>	
Maximum Points Available:	Initial Scoring:
Strengths:	
Weaknesses/Risks:	
<b>QUALIFICATIONS AND EXPERIENCE CATEGORY</b>	
Maximum Points Available:	Initial Scoring:
Strengths:	
Weaknesses/Risks:	
<b>PAST PERFORMANCE AND REFERENCES CATEGORY</b>	
Maximum Points Available:	Initial Scoring:
Strengths:	
Weaknesses/Risks:	



EXHIBIT 7

**RESPONSIBILITY  
GUIDELINES**

**Purpose**

This guideline is intended to provide guidance and assistance pertaining to prospective contractors' responsibility. Throughout this document, references to "procurement representative" shall mean either a contract administrator or purchasing agent, as appropriate.

**Policy**

To be eligible for contract award, a bidder/respondent must be responsive and responsible, as determined by the Procurement Division Director. "Responsibility" is determined within a reasonable period of time following the opening date the bid/proposal.

**1.0 Standards**

**1.1 General Standards**

To be determined responsible, a prospective contractor must:

- a) Be financially solvent and have sufficient financial resources to perform the contract, or provide sufficient evidence of the ability to obtain them.
- b) Be able to provide sufficient cost, audit and pricing information to support negotiation of a fair and reasonable price.
- (c) Have a satisfactory performance record.
- (d) Have a satisfactory record of integrity and business ethics.
- (e) Have the necessary management organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them (including, as appropriate, such elements as production control procedures, property control systems, quality assurance methods and procedures, and safety programs applicable to materials to be produced or services to be performed by the prospective contractor and subcontractors).
- (f) Have the necessary production capacity, construction, and technical equipment and facilities, or the ability to obtain them.
- (g) Be otherwise qualified and eligible to receive an award under applicable laws and regulations..

## **1.2 Special Standards**

When it is necessary for a particular contract, the procurement representative shall develop, with the assistance of appropriate specialists, special standards of responsibility. Special standards may be particularly desirable when experience has demonstrated that unusual technical capability, expertise or specialized equipment or facilities are needed. The special standards shall be set forth in the solicitation (and identified as such) and shall apply to all bidders/respondents.

## **1.3 Application of Standards**

- a) *Ability to obtain resources.* Except to the extent that a prospective contractor has sufficient resources or proposes to obtain sufficient resources by subcontracting, the procurement representative shall require acceptable evidence of the prospective contractor's ability to obtain required resources. Acceptable evidence normally consists of a commitment or explicit arrangement that will be in existence at the time of contract award, to rent, purchase, or otherwise acquire the needed facilities, equipment, other resources, or personnel.
- b) *Satisfactory performance record.* A prospective contractor that is or recently has been seriously deficient in contract performance shall be presumed to be nonresponsible, unless the procurement representative determines that the circumstances were properly beyond the contractor's reasonable control, or that the contractor has taken appropriate corrective action. Past failure to apply sufficient tenacity and perseverance to perform acceptably is strong evidence of nonresponsibility. Failure to meet the quality standards of the contract is a significant factor to consider in determining satisfactory performance. The procurement representative shall consider the number of contracts involved and/or the extent of deficient performance in each contract when making this determination. If the pending contract requires a M/WBE Utilization Plan pursuant to Rule 40E-7, et. seq., Florida Administrative Code, (the District's Minority and Women Owned Business Contracting Rule), the procurement representative shall also consider the prospective contractor's compliance with the M/WBE provisions under past or on-going contracts.
- c) *Affiliated Entities.* Affiliated entities are normally considered separate entities in determining whether the entity that is to perform the contract meets the applicable standards for responsibility. However, the procurement representative shall consider the affiliate's past performance and integrity when they may adversely affect the prospective contractor's responsibility. Businesses are affiliates of each other if, directly or indirectly, either one controls or has the power to control the other, or another concern controls or has the power to control both. In determining whether affiliation exists, consideration is given to all appropriate factors including past and/or existing common ownership, common management, and contractual relationships. The term "affiliate" includes, in their individual capacity, those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate.

- d) *Information on financial resources and performance capability shall be obtained or updated on as current a basis as is feasible up to the date of award.*
- e) In general, the procurement representative will rely on Prime Contractors to determine the responsibility of their proposed subcontractors. However, when making a final responsibility determination, the subcontractor(s) financial resources and past performance may also be taken into consideration by procurement representatives when making a final responsibility determination. In all cases, the same analysis and standards will be applied in the event the prime contractor is performing less than 50% of the total project effort.

## **1.4 Procedures**

### **1.4.1 Obtaining information.**

- (a) Procurement representatives will use professional judgment to determine how much additional information may be needed beyond what is provided for in the contractor's bid or proposal. Such factors as special standards, contractor representations, complexity of the project, risk assessment, and the overall dollar value of the award shall be taken into consideration when determining whether or not further information, special inspections, surveys and/or analysis is required prior to contract award.
- (b) The procurement representative may request information regarding the responsibility of prospective contractor(s), including requesting preaward inspections when necessary, before or within a reasonable period of time following bid opening or receipt of proposals. A "Preaward inspection" means a fact-finding inspection by one or more evaluation committee member(s), and/or a representative from the Auditor General's Office, and/or the procurement representative to examine a prospective contractor's capability to perform a proposed contract. A subsequent and complete evaluation of the facts gathered at the preaward inspection shall be discussed among the evaluation committee members, and the procurement representative at a publicly noticed meeting.
- (c) The procurement representative may request the Inspector General's office to conduct a pre-award audit of prospective contractors/subcontractors which may include site visits as necessary. The purpose of such audits shall be to determine financial competence, and that adequate accounting systems and controls are in place for successful performance.
- (d) In making the determination of responsibility, the contracting officer shall consider relevant past performance information. Past performance information regarding a contractor's actions under previously awarded contracts is relevant information for future source selection purposes. It includes, for example, the contractor's record of conforming to contract requirements and to standards of good workmanship; the contractor's record



of forecasting and controlling costs; the contractor's adherence to contract schedules; project management and other administrative aspects of performance;; the contractor's history of reasonable and cooperative behavior and commitment to customer satisfaction; and generally, the contractor's business-like concern for the interest of the customer. The procurement representative should use the following sources of information, if in existence at the time of a determination of responsibility, to support such determinations.

(1) Interim or final evaluations of contractor performance on previously awarded contracts. Interim performance evaluations are performed when projects are 50% complete and on projects with a duration exceeding one (1) year and a dollar value exceeding three hundred thousand dollars (\$300,000). Final performance evaluation forms are completed by the Project Manager for all contracts at the time of project completion as part of the contract close-out process.

(2) The list of persons or affiliates that have been placed on the convicted vendor list following a conviction for a public entity crime, in accordance with Section 287.133, Florida Statutes.

(3) Verifiable records and experience data, including substantiated knowledge of personnel within the Procurement Division, Auditor General's Office, Supplier Diversity & Outreach Office and other District departments.

(4) Information provided by the prospective contractor that relates to production equipment, personnel information, bid or proposal information, questionnaire replies, and financial data.

(5) Preaward survey reports (see discussion above).

(6) Other sources such as publications; suppliers, subcontractors, and customers of the prospective contractor; financial institutions; Government agencies; business and trade associations; and other water management districts.

## **1.5 Determinations and Documentation**

### **1.5.1 Determinations.**

(1) The Procurement Division approval of a contract constitutes a determination that the prospective contractor is responsible with respect to that contract. When an offer on which an award would otherwise be made is rejected because the prospective contractor is found to be nonresponsible, the procurement representative, with the approval of both the Contract/Purchasing Manager and Director of Procurement, shall place in the procurement file a determination of non-responsibility. This shall be signed and shall include sufficient detail to support the basis for making the final determination. Prior to making a determination of non-responsibility involving a minority vendor/contractor, the Director of the

Office of Supplier Diversity shall be given the opportunity to review and approve such determination.

**1.5.2 Supporting Documentation.**

- (1) Documents and reports supporting a determination of responsibility or nonresponsibility must be included in the procurement file.
- (2) Concurrent with the procurement representative's certification that the justification is accurate and complete, the procurement representative shall provide a copy of all supporting documentation to the Office of Supplier Diversity.



**EXHIBIT 8**  
**FINANCIAL STATEMENT ANALYSIS**  
**AND**  
**CONTRACT COSTS**

The information presented here provides an overview of financial statement analysis and includes some analytical tools that are commonly used to determine the financial condition of an entity.

A primary emphasis of any financial analysis is the comparison of current and historical financial and operating data. Such a comparison usually recognizes material fluctuations in the statements. However, there is more to financial statement analysis than just changes to balances from one period to another. Methods have been developed that provide an effective means to identify important relationships between items on the same statement and trends in financial data from comparative statements with multiple years of information.

At the District, the principal interest in financial statements of an entity, from a procurement viewpoint, is to determine if the income of an entity that provides goods and /or services to the District will be sufficient to cover the obligations of that entity through the life of a contract. To meet that limited objective, a minimum set of tools, methods and approaches will be described that provide insight into the financial condition and trends over time of such an entity. In order to maintain a consistent framework for the analysis, the balance sheets and income statements for a single fictitious company will be used spanning three (3) years of operations. Be aware, that for a complete financial analysis an industry comparison would likely assist in determining an entity's ability to continue as a business competitor within that industry. Agencies such as Dun and Bradstreet offer financial ratios for most firms and provide an appraisal of financial strength.

Initially this analysis will focus on several ratios that give relationship to items on the financial statements. These may not provide conclusive evidence to financial capability but should give an indication of what to pursue in more depth. The analysis information here is important for long term projects i.e. greater than one (1) year or for capital improvement projects.

To gain an understanding of a firm, there are common profitability, liquidity, solvency and activity ratios.

Commonly used **profitability** ratios include:

- |    |                             |   |
|----|-----------------------------|---|
| 1. | <b>Gross Margin</b>         | Net Sales minus Cost of Goods Sold divided by Net Sales |
| 2. | <b>Asset Turnover</b>       | Net Sales divided by Total Assets                       |
| 3. | <b>Return on Investment</b> | Net Income divided by Stockholder's Equity              |

Commonly used **liquidity** ratios include:

1. **Current Ratio** Current Assets divided by Current Liabilities
2. **Quick or Acid Test Ratio** Cash, Short Term Securities and Net Receivables divided by Current Liabilities

Commonly used **solvency** ratios include:

1. **Debt to Equity Ratio** Long Term Debt divided by Stockholder's Equity

Commonly used **activity** (turnover) ratios include:

1. **Inventory Turnover Ratio** Cost of Goods Sold divided by Average Inventory
2. **Receivables Turnover Ratio** Net Sales divided by Average Accounts Receivable

Using abbreviated financial statements, examples of the use of the above ratios follows:

**Abbreviated Income Statements for three years ending December 31, 2000, 1999, 1998**

	<b>2000</b>	<b>1999</b>	<b>1998</b>
Net Sales	\$6,016,900	\$6,343,200	\$5,670,400
Cost of Goods Sold	4,156,400	4,246,100	3,756,300
Gross Profit	1,860,500	2,097,100	1,905,100
Net Income	(111,100)	231,500	116,300

**Abbreviated Balance Sheets for three years ending December 31, 2000, 1999, 1998**

	<b>2000</b>	<b>1999</b>	<b>1998</b>
Cash	\$(42,800)	\$129,400	\$126,500
Net Receivables	1,573,900	1,459,400	1,194,300
Inventories	1,086,900	974,900	812,300
Current Assets	2,732,200	2,701,800	2,259,900
Total Assets	4,231,400	4,576,100	4,432,100
Current Liabilities	1,408,700	1,386,500	1,283,200

Long Term Debt	776,600	1,032,400	1,223,200
Shareholder's Equity	1,953,700	2,064,800	1,833,300

Examples of the use of ratios:

<b>Profitability Ratios</b>	<b>Formula</b>	<b>2000</b>	<b>1999</b>	<b>1998</b>
<b>Gross Margin</b>	Net Sales minus Cost of Goods Sold divided by Net Sales	30.92%	33.06%	33.60%
<b>Asset Turnover</b>	Net Sales divided by Total Assets	142.20%	138.62%	127.92%
<b>Return on Investment</b>	Net Income divided by Stockholder's Equity	-5.69%	11.21%	6.34%
<b>Liquidity Ratios</b>				
<b>Current Ratio</b>	Current Assets divided by Current Liabilities	1.94	1.95	1.76
<b>Quick or Acid Test Ratio</b>	Cash, Short Term Securities and Net Receivables divided by Current Liabilities	1.09	1.15	1.03
<b>Solvency Ratio</b>				
<b>Debt to Equity Ratio</b>	Long Term Debt divided by Stockholder's Equity	44.48%	54.48%	71.76%
<b>Turnover Ratios</b>				
<b>Inventory Turnover Ratio</b>	Cost of Goods Sold divided by Average Inventory	4.03	4.75	4.72
<b>Receivables Turnover Ratio</b>	Net Sales divided by Average Accounts Receivable	4.07	4.98	5.34

The chart above reflects information that is unique to each year shown. Another way to look at financial statements is to analyze trends in order to make decisions about the future. On the following charts "Bluewater Associates" changes between the years are measured in dollars and percentages. Beginning with the Income Statements and using 1997 as the base year, an 11.87% gain was made in **total sales** from '97 to '98 but a decline of 5.14% occurred in '99. To assist in determining why the decline, notice that sales has three components-Products, Services and Other. **Product sales** have declined at a significant rate while **Services sales** have increased. **Other sales** are minor in relation to products and services so for this evaluation they will be ignored. A related negative trend is the decline in gross profit percentages. The primary drop in profit appears to be the decrease in Product sales. From the Chart above note that Products has dropped from a profitability of 38% in '97 to 30% in '99. Some causes for the declines are noted below.

The decrease in **Product sales** could be attributed to a myriad of reasons. Some possible causes might be:

- Increasing competition
- Changes in sales force / policies
- Change in pricing
- Product quality problems
- Product availability
- Changing technology

The **gross profit** decline could be attributable to:

- Product costing problems
- Increase in supplier costs
- Excess capacity
- Product pricing changes
- Plant obsolescence
- Inefficient product manufacturing

While looking for trends that are occurring, note the trend of “commissions” in **Other Expenses**. Commissions have increased even though sales have decreased. This could represent a change in emphasis of sales methods or incentives.

In like manner, administrative expenses have continued in an upward climb without any increase in sales. '98 was a good year and it may be that salaries were adjusted based on the sales growth. Now the firm has to deal with reduced sales and swollen administrative expenses.

Changes in the **Balance Sheets** can be analyzed for similar trends.

The firm's **cash** position has weakened during '99. Much of the increase in cash provided by operations in '98 over '97 may be attributable to the possible delay in the payment of accounts payable and accrued expenses. If the effect of increases in these two categories were subtracted from cash flows from operating activities, the cash position could be much worse.

Note that **Accounts Receivable** and **Inventories** have both grown considerably. A review of the turnover ratios in these two categories show the impact of growth.

This situation could represent the following conditions:

#### **Accounts Receivable**

- Changed sales or credit terms
- Less aggressive collection procedures
- Changing customer base
- Potential bad debts

### **Inventories**

- Obsolescence
- Poor inventory management and systems
- Costing problems
- Changed vendors or vendor policies

Increases in these areas often signal future writeoffs/writedowns.

The above information represents a limited review of financial statements of a firm for the purpose of determining if the firm can financially support the performance of a contract over time. There are many other models that are used in analyzing a firm's financial condition. They are designed to arrive at a conclusion, which is beyond the needs of the District.

Analyzing costs attributable to a contract is an additional financial requirement of the Contract Specialist. There are two cost components that are analyzed: 1) **Direct costs** – made up of direct labor applied to the contract along with cash expenditures for contract activities and 2) **Indirect Costs** – made up of fringe benefits, indirect labor and indirect expenses.

The total cost of a contract is the sum of the direct and indirect costs allocable to the contract. **Direct cost** is any cost that can be identified specifically with a contract. Costs cannot be incurred as direct costs if other costs incurred for the same purpose in like circumstances have been charged as indirect costs to that contract or any other contract.

**Indirect cost** is any cost not directly identified with a single contract, but identified with two or more contracts and allocated to the various contracts. The allocation process is of considerable interest to the District and should be investigated as part of the indirect cost review. Evaluation of Indirect costs begins with defining applicable ***Fringe Benefit*** costs:

- Vacation
- Sick Leave
- Holiday
- Educational Assistance
- Hospitalization Insurance
- Worker's Compensation
- Retirement Plan
- Payroll Taxes

The costs listed above represent the bulk of costs normally found in the fringe benefit category. Firms frequently use other names for similar fringe benefits.

A second component of Indirect Costs is applicable Indirect Labor costs. This category of indirect costs frequently appears as a single number labeled as "Indirect labor"; or "Salaries" While this is usually accepted as a given number for large firms, with a smaller company it is appropriate to determine if any individual listed in the direct labor for the contract has also been



included in the Indirect labor pool. Not infrequently, non-billed hours of a senior individual are included in the indirect pool. If that individual is assigned to a contract, there is a potential for “double-dipping” by including that individual in the indirect pool. Restating the Indirect labor figure is appropriate in that circumstance.

The third component of Indirect Costs is *Overhead Expenses*: These are expenses that are general operating expenses of a firm and applicable to a contract by allocation procedure. Key expenses are listed below. Many of these carry different names depending on the firm’s Chart of Accounts:

- Vehicle expense
- Computer expense
- Depreciation
- Supplies
- Insurance
- Postage
- Rent
- Travel
- Utilities

The District utilizes audits performed by the Defense Contract Audit Agency (DCAA) and these expenses are routinely denied by DCAA as allocable by a firm to a contract. The District denies these expenses also:

- Bad debts
- Marketing/Business Development
- Donations
- Interest
- Federal Income Taxes, however, other taxes are appropriate for allocation

Certain other expenses appear on overhead expense statements and should be challenged as appropriate for complete allocation. Some allocation may be appropriate;

- Conventions and Seminars
- Dues and Memberships
- Meals and Entertainment
- Miscellaneous (if this a category of expense, look at it if it is large in relation to other categories, if small it may not be substantive and can be disregarded)

In order to arrive at a cost figure (multiplier) the formula is as follows:

Direct Labor is equal to 1.00

Add fringe benefits as a percentage (0.xxx)

Add Overhead as a percentage (1 or 0.xxx)

Multiply the result by the Profit percentage for a total multiplier effect. (0.xx)

**EXHIBIT 9**  
**MEMORANDUM OF NEGOTIATION**  
**TEMPLATE**

**General Information**

Document #:

Contractor:

RFP#:

Project Manager:

Contract Specialist:

Project Title:

**Pre-Negotiation Plan**

**Summary of Negotiations**

**Documentation Results**

**Conclusion**

**EXHIBIT 9**  
**MEMORANDUM OF NEGOTIATION**  
**GUIDELINES**

➤ **Purpose**

The guidelines set forth below are intended to provide assistance to Contract Specialists in formulating strategies for negotiated procurements and documenting the results. The ultimate objective is to reach agreement on an overall price (or total estimated cost) and related terms and conditions that are considered, as a whole, to be fair and reasonable to both parties.

➤ **Process**

The use of a competitive proposal method enables the District to select a responsive, responsible firm that is most advantageous to the District based on the contractor's technical expertise and management capabilities, level of minority participation and cost effectiveness of the proposed approach. A thorough understanding of the roles and responsibilities of each of the negotiating team members will aid in the development of negotiation strategies that will meet District objectives. Chapter 5 (Section 5-6) of the Procurement Manual provides guidance relating to each step of the negotiation process. The Memorandum of Negotiation will document the process and is organized as follows:

**General Information.** Provide the contract number, name of top-ranked firm, RFP#, Project Manager, project title and name of the responsible Contract Specialist.

**Pre-Negotiation Plan.** Following review of the firm's proposed approach for successfully performing the requirements of the Statement of Work and after conducting an initial review of the cost proposal, the team members will develop a pre-negotiation strategy based on the following:

❖ **Fact Finding**

- **Responsibility** review by the Project Manager and Contract Specialist. The Project Manager will review the results of the selection committee's summary report and past performance records for any concerns that may result in potential discussion items.

The Contract Specialist will review the financial statements to determine whether the firm has adequate financial resources to perform the work (if questionable or if contracting with a newly incorporated firm, a report may be obtained from Dun and Bradstreet). The Contract Specialist also will review the Convicted Vendor's list of contractors and the firm's litigation history for evidence of good business practices.

- Statement of Work Review. The Project Manager will examine the proposal to determine the need to incorporate aspects of the contractor's proposed Statement of Work into the RFP Statement of Work (methodology or approach based on the Statement of Work included in the District's RFP).
- Direct Costs Review. The Project Manager will determine the need to negotiate the proposed delivery schedule, any equipment items, proposed travel for meetings/conferences as well as the breakdown of hours/task allocation for each team member and labor category, including subcontractors.

The Contract Specialist will verify any cost or price related assumptions in the proposal and will obtain supporting documentation to verify actual hourly rates for each team member (payroll records) for both the prime and subcontractors, including written corporate salary schedules/policies supporting base labor rates/position levels.

The Contract Specialist must also obtain information supporting the basis for all cost estimates associated with 'Other Direct Costs', including any supplies, equipment/equipment rentals proposed, any assumptions regarding air travel, lodging and/or mileage estimates (with a breakout of the number of trips proposed, by whom and by task), document production costs and itemized computer time. Per statutory requirements, all costs proposed for meals cannot exceed \$21 per day and \$.29 per mile for mileage reimbursement.

- Indirect Costs Review. The Contract Specialist will obtain supporting documentation for all overhead, fringe benefit and G&A indirect cost factors for both the prime contractor and any subcontractor(s). This can be accomplished by obtaining the most recent fiscal year audit (cognizant federal auditor or state agency) or by verifying the rates with an independent certified public accountant.

If appropriate, the Contract Specialist may request an audit review by the District's Inspector General's (IG) Office. A pre-award audit may be necessary when the information obtained above is unsatisfactory or necessary because of the nature of the project (e.g., highly complex CCNA projects) and there is no current information regarding the rate structure. The IG can assist by examining the accuracy of the cost or pricing data submitted by the contractor, the contractor's basis and method for estimating costs and the adequacy of the firm's accounting systems.

- Profit Margin. After obtaining the documentation supporting the actual hourly rates for each team member and the overhead, fringe benefit and G&A rates, the Contract Specialist will be able to determine the proposed profit/fee factor for the project by utilizing the information to formulate (verify) the proposed billable ("loaded") rates for each direct labor position. The same mechanism can be used to obtain the breakout of a "multiplier" (refer to Section 5-6 of the Manual).

### ❖ **Negotiation Objectives**

- After completing the fact-finding phase, the negotiation team is prepared to examine the areas requiring further discussion and to arrive at a negotiation position. The team shall determine whether the level of expertise, timelines and costs are in line with District objectives and are realistic for the work to be performed by ensuring that the firm has a clear understanding of the project requirements and by examining the proposed costs (utilizing cost and price analysis) to determine consistency with the firm's technical proposal. More detail is provided in Section 5-6 of the Procurement Manual for each step in this process.
- The negotiation team shall develop strategies (maximum/minimum positions) based on the number of issues that must be resolved following the fact-finding phase. Several negotiation sessions and revised cost breakdowns (including any Statement of Work changes) may be necessary to reach final agreement.

**Summary of Negotiations.** Outline each of the negotiation periods and the issues addressed and resolved in each discussion. Discuss the results of the following:

- Accepted changes to the District's Statement of Work as set forth in the solicitation.
- Accepted changes to any proposed team members, including task allocation and labor category (and subcontractors) and the breakdown of hours proposed.
- Accepted changes to all other direct costs, including supplies, equipment/equipment rentals, lodging, mileage estimates (consider air travel, use of private vehicles and rental cars), number of trips (by whom and by task), document production and computer time.
- Any changes to the indirect cost rates and/or items included in the overhead pool and the impact on the final negotiated price.
- Any changes to the proposed and accepted profit margin for performance of the contract work.
- The level of M/WBE participation compared to the requirements, if any, in the RFP.
- The overall cost savings achieved at the conclusion of the negotiation sessions, from a proposed level of \$\_\_\_\_ to a final negotiated price of \$\_\_\_\_, reflecting a cost savings of \$\_\_\_\_ for the "X" year project period.

**Documentation Results.** Provide summary details as follows:

### ❖ **Prime Contractor**

*Proposed and Accepted Levels for:*

- ☐ Loaded Hourly Rates for key personnel. Include each position level/individual.
- ☐ Labor Multiplier (if applicable) and breakdown of indirect costs and profit factor.
- ☐ Escalation factors (if applicable) and cost elements to which applied.
- ☐ Other Direct Costs – breakout of any items subject to negotiation.

❖ **Each Subcontractor or Subconsultant**

- ❑ Identify key individuals and expertise provided as part of teaming arrangement.
- ❑ Proposed Billing Rates for key personnel and negotiated changes, if applicable.
- ❑ Proposed Travel – number of trips, individuals, tasks. Identify amounts proposed and accepted for airfare, mileage reimbursement, rental cars and hotel costs. All District statutory limitations apply.

❖ **Other Contract Items**

Describe any other business matters that are key to contract award, including:

- ❑ Contract terms and conditions (special provisions)
- ❑ Insurance requirements
- ❑ Authorization to do business in the state of Florida
- ❑ Interim and final performance evaluations

**Conclusion.** Provide a brief summary statement describing the reasons why the total contract amount of \$ \_\_\_\_\_ for a “X” contract period appears fair and reasonable based on the foregoing discussion.



EXHIBIT 10  
**SOLE SOURCE  
GUIDELINES**

**Purpose**

This guideline is intended to provide guidance and assistance pertaining to sole source procurements of goods and/or services. Throughout this document, references to “procurement representative” shall mean either a contract administrator or purchasing agent, as appropriate.

**Policy**

The District recognizes that there may be circumstances that justify an exception to the Standards for Competition. Contracting without providing for full and open competition is a significant deviation from standard Procurement policy and as such requires substantial justification in accordance with the standards specified herein. Sole source transactions shall not be justified based on a lack of advance planning by District staff.

**1.0 Standards**

Sole source procurements may be used only in exceptional circumstances because of the District’s Procurement Policy for full and open competition. Such a circumstance will exist when the goods and/or services required by the District are available from **only one** responsive and responsible source, and no other type of goods or services, equal or equivalent, will satisfy District requirements. Goods and/or services may be considered to be available from only one source if:

- a) Only one source can provide a unique and innovative concept.
- b) Only one source can provide a unique capability to provide the particular goods or services.
- c) The Governing Board has determined in accordance with the District’s standardization procedures that only one specified make and model of technical equipment and parts will satisfy the District’s needs for additional or replacement items.
- d) The source retains rights, as determined by applicable law, in data, patent rights, copyrights, or trade secret information or other similar circumstances that make the good(s) or service(s) available from only one source. *(Note: the mere existence of these rights or circumstances does serve as an automatic justification for a sole source procurement.)*



## **1.2 Required Documentation**

Each justification shall contain sufficient facts and rationale to justify the use of a sole source procurement. Each justification shall be entitled, "Justification for Sole Source Procurement" and, at a minimum, shall include the following information:

- a) Nature and/or description of the procurement sought to be approved.
- b) A description of the goods or services required to meet the agency's needs (including the estimated value).
- c) A demonstration that the proposed vendor/contractor's unique qualifications or the nature of the acquisition requires the use of a sole source procurement. Justification must be provided to show that no other similar good or service will meet the District's needs.
- d) A description of any solicitations issued by the District within the past year in the form of a Request for Quotation (RFQ), Request for Information (RFI), Request for Bid (RFB), or Request for Proposal (RFP) where the results support the conclusion that there is only one viable source. In the case of an RFQ, RFB or RFP, a sole source procurement could be justified in situations where a lack of responsive and responsible bidders/respondents rendered a subsequent award decision impossible for the District in accordance with existing Procurement Policy. This section should also include information on whether or not a solicitation notice was issued and what publications were used to advertise the District's need. Whenever possible, this information should be supplemented by results of any market research conducted, including pricing information, to substantiate a sole source recommendation.
- e) In the event no solicitation has been issued or an unsolicited proposal has been received, sufficient market research information shall be provided and include: (1) documentation to demonstrate that there is only one source available; (2) documentation to show that as many potential sources as practicable were considered, including any M/WBE sources identified by the District's Supplier Diversity Office; and (3) documentation to show that issuance of a formal solicitation would constitute an unnecessary and superfluous expenditure of District resources. Market information shall also include commercial pricing data on similar products or services.
- f) A determination by the procurement representative that the anticipated cost to the District will be fair and reasonable, which determination shall include an analysis of comparative commercial pricing data. In the absence of commercial pricing data, pricing may be substantiated on the basis of a detailed cost breakdown provided by the vendor or contractor. All sole source procurements are subject to negotiation to arrive at a price which is most advantageous to the District.
- g) Any other facts supporting the use of other than full and open competition, such as an explanation of why services or supplies suitable for full and open competition have not been developed or are not available.
- h) Project Manager's certification that the supporting data which forms the basis for the justification is complete and accurate to the best of the Project Manager's knowledge and belief.

- i) Procurement Representative's certification that the justification to support a Sole Source procurement is accurate and complete to the best of the procurement representative's knowledge and belief.

### **1.3 Determinations and Documentation**

#### **1.3.1 Determinations.**

- (1) The Governing Board shall make the determination whether a Justification for Sole Source Procurement is approved based on the completed Justification, supported by all the relevant reformation.

#### **1.3.2 Supporting Documentation.**

- (1) Documents and reports supporting an approval for a Justification for Sole Source Procurement shall be placed in the procurement file.
- (2) Concurrent with the procurement representative's certification that the justification is accurate and complete, the procurement representative shall provide a copy of all supporting documentation to the Office of Supplier Diversity.



## **WAIVER OF COMPETITION GUIDELINES**

### **Purpose**

This is intended to provide guidance and assistance to District staff who are considering using a Waiver of Competition as the means by which to fulfill a requirement for a commodity or service.

### **Policy**

Competition is the cornerstone of the District's procurement process. However, it is recognized that there may be circumstances which support waiving the competitive process in order to procure a particular commodity or service either on an expedited basis or because competitive opportunities are limited in the marketplace. Because waivers require careful scrutiny and must be approved on a case-by-case basis strictly as exceptions to standard procurement policy, all waivers must be supported by thorough documentation to justify the transaction in accordance with the guidelines and criteria set forth herein. All waivers are subject to the approval of the Executive Director, Chief Financial Officer, Director of Procurement and General Counsel or delegatee. If the value of the transaction exceeds \$25,000, or in the case of special ECP procurement exceptions \$300,000, it also requires Governing Board approval.

### **General Guidance**

There are a limited number of situations that lend themselves to use of a waiver of competition. First, there must be a compelling technical justification for selecting a product or service from a particular vendor or contractor to meet a program objective or project requirement such as special expertise, project/operational continuity, product functionality or equipment compatibility. Secondly, a waiver must be justified based on a legitimate and unforeseen need to obtain a commodity or service within an expedited time frame which precludes the ability to proceed using formal solicitation options. Thirdly, in the absence of specific time constraints, there must be adequate and current documentation to demonstrate limited competition in the marketplace thereby rendering the solicitation process an ineffective use of District resources.

It is not appropriate to use a waiver to attempt to secure a good or service for which there is simply a preference. Likewise, it is inappropriate to use a waiver because certain expected or required actions have not been completed in a timely manner, now making the requirement urgent. Requesters can anticipate a great deal of difficulty attempting to secure the support of reviewers for a waiver if it is apparent that the requirement has existed for some time and a waiver is now necessary as a result of poor planning or some other lack of required action.

The bottom line is that requesters need to provide a convincing justification to demonstrate that the District cannot wait the time it would normally take to secure the good or service through the competitive process or that it simply does not make technical and/or economic sense to use the competitive process in that respective situation.

### **Format**

Requests to waive the District's standards of competition consist of a memorandum along with a supporting narrative divided into the following sections: (1) Background (2) Need for Exception to the Standards of Competition; (3) Preserving Fairness in the Method of Selection; (4) Preserving Competitive Pricing in the Method of Selection; and (5) Conclusion.

### **Supporting Documentation**

Required information, questions that should be answered, and suggestions on what to include in the narrative within each section to justify a waiver of competition are provided below. Addressing all of these areas will result in a transaction which will satisfy District requirements while at the same preserving public confidence in the selection process.

#### **A. Background**

- What type of assistance or expertise is required?
- Describe the circumstances which have created the need.
- Describe the application or purpose of the product or service and how it will impact a particular project as well as any other related project.
- Describe the technical and/or legal requirements which are critical for this project.
- Why are internal resources considered inadequate to meet the need?

#### **B. Need for Exception to Standards of Competition**

- Describe the current market, including potential sources of the product or service.
- Provide information on how the proposed vendor/contractor's product or service will provide the best solution to meet the need.
- Have other users of the product or service been contacted to verify technical competence and quality?
- Describe the time constraints and any other factors driving an expedited time-line. Also, indicate the date the District originally anticipated the need for this project, commodity or service.
- What special expertise, product characteristics, and/or technical qualifications does the selected vendor/contractor have that others don't offer?
- What special project or program requirements make the selection of the desired product or service essential?
- Describe any legislative mandates or legal considerations which are impacting the decision.
- How might the public be at risk in the event that this waiver is not approved; how will the selection of this product/service benefit or protect public interests?
- What factors make selection of this vendor/contractor optimal from a business perspective; what operational/cost efficiencies or economies of scale will be realized?

#### **C. Preserving Fairness in the Method of Selection**

- Describe any market research/analysis that has been performed to substantiate the selection; what types of materials were reviewed (e.g., industry journals, resource guides, product literature).
- What steps have been taken to identify viable vendors capable of performing the service and/or providing the product to document limited competition? How are the products/services being compared from a technical perspective?
- Has the same or similar product or service been subject to a recent competitive selection process at the District (within the last year) and if so, how do the results substantiate this choice from a technical viewpoint?
- What other governmental entities have procured the selected product or service from the particular vendor/contractor and, if so, what method of competition was used and how satisfied were they with the results?

#### D. Preserving Competitive Pricing in the Method of Selection

- Have other vendors been contacted to compare pricing of similar products/services. If so, indicate results (i.e. quotes or other indications of price reasonableness).
- If applicable, provide evidence of competitive pricing on the basis of recent competitive procurements by the District for the same or similar product/service.
- Alternatively, if applicable, provide justification of competitive pricing based on recent competitive purchases of the same or similar products/services by another governmental entity.
- In the case of commodities, another method to demonstrate competitive pricing is to compare the price on the waiver action with published catalog prices for similar items.
- Provide information concerning any cost savings that the District will realize through such things as product discounts, extended warranties, or prompt payment discounts.
- Provide information concerning any long-term cost efficiencies or savings that may be realized and/or value added features.

#### E. Conclusion – Preservation of Public Confidence in the Method of Selection

- Summarize District requirements and the critical nature of utilizing a particular source to meet District priorities.
- How will this procurement without competition benefit the District?
- How do all of the factors come together in support of a transaction that preserves public confidence?



**COOPERATIVE AGREEMENTS  
WITH UNIVERSITIES  
JUSTIFICATION GUIDELINES**

➤ **Purpose**

The guidelines set forth below are intended to provide assistance to District staff who are considering cooperative agreements with universities for projects relating to research, restoration, conservation or similar studies, or other clearly defined assistance.

➤ **Policy**

The District recognizes that there may be circumstances that justify an exception to the District's Standards for Competition. Since contracting without providing for full and open competition is a significant deviation from standard District procurement policy, thorough documentation must be provided to justify the cooperative nature and the need for services with a specific university to preserve public confidence in the decision making process. Standards and criteria are set forth below. All procurements with universities are subject to the approval of the Executive Director, the Director of Procurement, Deputy Executive Office, Corporate Resources and Office of General Counsel or delegate. If the value of the transaction exceeds \$50,000, it also requires Governing Board approval.

➤ **Standards**

Assistance to a specific university requires the use of a cooperative agreement and evidence of some form of cost sharing. The results of the collaboration must be of mutual benefit to both the District and the university. The use of a cooperative agreement with a university shall not be justified based on a lack of advance planning by District staff. The basis or rationale for entering into such agreements consists of the following:

- ❑ The university has unique or specialized facilities and/or equipment, which are considered essential in meeting the District's requirements.
- ❑ The university has a unique or innovative concept to be utilized in furthering the scientific aspects of the project.
- ❑ The university retains rights, as determined by applicable law, in data, patent rights, copyrights or trade secret information or similar circumstances, which are vital to satisfying the District's needs.
- ❑ The university will provide, given the cooperative nature of the work to be performed, specific cost sharing or significant in-kind services that demonstrate commitment to completing the work and producing results that will withstand peer-review and that will be shared with the appropriate outside community.



➤ **Documentation**

Each justification shall include sufficient facts and rationale to support the nature of the work to be performed and to identify the special characteristics of the university which underpin the cooperative relationship. The justification shall consist of a cover memorandum and narrative that shall include, at a minimum, the following information:

- ❑ *Introduction and Background.* Describe the nature of the work to be performed and the circumstances that have created the need for collaborative research/assistance, which are considered critical for successful completion of this project. Include any specific factors (e.g., lab facilities, equipment, technical expertise/innovative work) that justify selection of this university vs. other public or private Florida universities or educational institutions. Discuss any legislative mandates or legal considerations which are critical to this project.
- ❑ *Cooperative Relationship.* Describe the benefits derived by the District for the use of a cooperative agreement rather than competing this requirement via a formal solicitation process (contract). Has similar work been competed in the past? Include reference to cost-sharing arrangements (cost efficiencies) or other in-kind contributions that are specific to this university and would not be available from other educational institutions or in the open market. Discuss any other factors that make selection of this university optimal to meet the District's needs (e.g., scheduling requirements). Are there economies of scale that will be realized?
- ❑ *Market Research.* Describe the type of market analysis conducted and the potential sources that were considered to protect the public interest. Discuss the technical expertise or technological advantage held by this university and how it was obtained. What other university staff or educational institutions have been contacted to ensure that no other university can perform the work? Was this university funded by the District for similar projects in the past? What efforts have been or will be made to encourage other universities to develop the same capability? Were Historically Black Colleges and Universities (HBCUs) considered in the selection?
- ❑ *Past Performance.* Describe the past performance record of this university. How many contracts and/or cooperative agreements have been funded by the District in the past three (3) years? Were the deliverables acceptable and received on a timely basis? Has the university subcontracted any portion of the work to minority/women owned business enterprises (M/WBEs)?
- ❑ *Conclusion.* Describe, in summary fashion, the District objectives that will be accomplished by completion of this effort and the need to use this particular university to meet District priorities. Include any other facts supporting the need for a collaborative/cooperative arrangement with this university for the type of research, restoration or similar project proposed and how this arrangement, without competition, will benefit the District.

➤ **Certification**

- ❑ The Project Manager shall certify at the conclusion of the justification that the supporting data that forms the basis of the justification is complete and accurate to the best of the Project Manager's knowledge and belief.
- ❑ The Procurement representative (Contract Specialist or Purchasing Agent, as appropriate) shall certify that the justification is accurate and complete to the best of the Procurement Representative's knowledge and belief and that the anticipated cost to the District is fair and reasonable.

➤ **Determination**

- ❑ For actions under \$50,000, a cover memo shall be addressed to the Executive Director from the issuing Division Director requesting approval of the justification, with prior review and signature by the issuing Department, Director of Procurement, Deputy Executive Director, Corporate Resources and Office of General Counsel.
- ❑ For all transactions over \$50,000, a cover memo shall be addressed to the Governing Board from the Executive Director, with the issuing Division Director signifying that the justification is complete. The justification will require prior review and signature by the issuing Department, Director of Procurement, Deputy Executive Director, Corporate Resources and Office of General Counsel.

